UNITED NATIONS

General Assembly

FIFTIETH SESSION

Official Records

FIFTH COMMITTEE
36th meeting
held on
Monday, 4 December 1995
at 10 a.m.
New York

SUMMARY RECORD OF THE 36TH MEETING

Chairman: Mr. VILCHEZ ASHER (Nicaragua)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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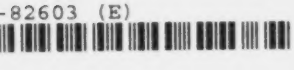

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The meeting was called to order at 10.15 a.m.

AGENDA ITEM 118: JOINT INSPECTION UNIT (continued) (A/49/34, A/49/423, A/49/560, A/49/629 and A/49/632; A/50/34, A/50/113 and Add.1, A/50/125 and Add.1, A/50/126 and Add.1, A/50/140 and Add.1, A/50/459/Add.1, A/50/503 and Add.1, A/50/507, A/50/509, A/50/571, A/50/572, A/50/686, A/50/692, A/50/721, A/50/742, A/50/753, A/50/780 and A/50/784; E/1993/119 and Add.1)

1. Mr. TOYA (Japan) said that his delegation supported the strengthening of external oversight, but that in the light of the critical financial situation, there was a need for rigorous scrutiny and the Joint Inspection Unit (JIU) could be no exception. The Unit had proposed the upgrading of one P-5 post to the D-1 level and the addition of a new P-4 post, but the proposals had not been included in the proposed programme budget for the biennium 1996-1997. His delegation would welcome clarification of that omission. In any event, careful consideration must be given to whether the proposals answered real needs.

2. While JIU was the only independent body with system-wide responsibilities, for inspection, evaluation and investigation, it already enjoyed a substantial level of resources. Moreover, it did not matter from which oversight body a recommendation emanated as long as it was useful, and both the Board of Auditors and the Office of Internal Oversight Services were producing useful recommendations.

3. The most important factor in determining whether JIU was performing satisfactorily was the action resulting from its recommendations. JIU was therefore taking steps to ensure systematic follow-up, including requests for timetables for the implementation of its recommendations by the executive heads of the organizations concerned. The Unit would also begin to draw attention to delays in the submission of comments on its reports. At the same time, JIU should listen to the executive heads in order to have a better understanding of why they were reluctant to respond to its recommendations.

4. He commended the Unit's efforts to improve its own management and welcomed the proposed streamlining of its future reports. He agreed that the selection of qualified inspectors was very important, and requested clarification of the proposal regarding a modification of the way in which the posts of Chairman and Vice-Chairman of the Unit were rotated in order to promote more effective leadership (A/50/34, para. 48).

5. He supported the emphasis placed in the future work programme on management, budgetary and administrative issues, operational activities for development, peace-keeping operations and humanitarian assistance (A/50/140/Add.1). In view of the importance of inspection and evaluation and ongoing reform, reports on such subjects as streamlining, contracting out, coordination, assessment of the restructuring, and evaluation of the United Nations Conference on Trade and Development should be given higher priority. In particular, there should be an early system-wide review of planning, programming and budgetary procedures, the use of experts and consultants, and procurement procedures. Both the Fifth Committee and the Advisory Committee on

Administrative and Budgetary Questions (ACABQ) should devote more time to the consideration of JIU reports.

6. Mr. GJESDAL (Norway) said that, while his delegation endorsed many of the Unit's priorities and the thrust of most of its work programme, it believed there was a need for JIU to be realistic about resource constraints, to keep an eye on the relevance and user-friendliness of reports, to focus on the most pressing challenges to the system and to improve its collaboration with other actors. That implied the sharing of information on work programmes among oversight bodies, comparisons recommendations and the avoidance of overlapping reports.

7. One positive example of coordination was the mutually reinforcing activity of the Board of Auditors and the Office of Internal Oversight Services in undertaking audits of field offices of the Office of the United Nations High Commissioner for Refugees and its implementing partners. In contrast, the apparent lack of information-sharing between the Office and JIU with regard to the United Nations Access Control System was disquieting, as was the apparent failure by the Office to make records and reports available to JIU. Accordingly, he supported the intent of JIU to strengthen its cooperation with the Office of Internal Oversight Services. Indeed, it would be a paradox if the various internal and external oversight bodies were not able to set a positive example in terms of coordination.

8. Should it become necessary to redeploy the Unit's resources, his delegation believed that the greatest comparative advantage of JIU lay in the work on system-wide questions relating to management, accountability and oversight. The Unit might, in fact, take responsibility for encouraging the development of internal oversight functions throughout the system. Each organization should have efficient programming, management and control systems, and the new responsibility and accountability system should be extended beyond New York.

9. Follow-up to the Unit's recommendations was very important. There was a need for practical procedures to ascertain compliance with recommendations on an ongoing basis. Indeed, there should be more effective follow-up to the recommendations of all oversight bodies. Ultimately, the Unit's effectiveness depended on the practicability of its recommendations and on the election of competent inspectors.

10. His delegation was concerned that important building maintenance programmes were being deferred as a result of financial austerity. Such deferrals could not be cost-effective in the long term.

11. Lastly, as noted by JIU in its report on management in the United Nations (A/50/507), the Fifth Committee was just as accountable for accountability as the Secretariat, and, indeed, the Unit itself. The Committee could set an example by undertaking a serious review of its working methods and setting its own house in order. The various JIU recommendations on the improved functioning of the Fifth Committee deserved consideration in that regard.

12. Mr. DEINEKO (Russian Federation) said that his delegation attached considerable importance to the work of JIU, whose activities had been given new

impetus in the context of the reforms currently being undertaken in the United Nations. Any reforms, no matter how well conceived, would, however, be doomed to failure without an effective mechanism for the monitoring of their implementation. The Organization could not function properly without the input of specially established oversight bodies. His delegation fully endorsed the strengthening of the role and functions of the United Nations inspection mechanism.

13. JIU was an essential component of that mechanism and particular attention should be paid to the coordination of its work with that of other United Nations oversight bodies, namely the Office of Internal Oversight Services and the Board of Auditors. At the same time, there was a need for a clear demarcation of the responsibilities and powers of those bodies in order to avoid duplication in their work. He noted with particular satisfaction the working relations that had been established between JIU and the Office of Internal Oversight Services.

14. The United Nations currently faced colossal tasks which required significant expenditure in terms of material and human resources. The enormous sums needed to finance such operations necessarily entitled Member States to demand an account of expenditures. His delegation endorsed the choice of topics on which the Unit had decided to focus and believed that, overall, those areas took account of the pressing issues facing the Organization. Particular attention needed to be given to peace-keeping activities, an area in which serious waste and mismanagement had been identified, and he was sure that JIU would have further contributions to make in the field of the enhanced utilization of peace-keeping resources.

15. His delegation had been particularly impressed by the report entitled "United Nations system support for science and technology in Africa" (A/50/125), the report entitled "Accountability, management improvement, and oversight in the United Nations system" (A/50/503 and Add.1) and the report entitled "Sharing responsibilities in peace-keeping: the United Nations and regional organizations" (A/50/571), which had been highly specific and contained clear-cut recommendations on how to enhance the efficiency of various areas of United Nations activity.

16. There was a need to focus on measures which would result in real savings for the Organization at the compilation stage of such reports. Boosting efficiency while simultaneously cutting back unproductive and bureaucratic expenditure was the real key to getting better performance out of the entire United Nations system.

17. The General Assembly and the Fifth Committee had a vital guiding and directing role to play in giving practical expression to the Unit's work and ensuring its relevancy. The task of the Unit's 11 inspectors was not made easy by the sheer size of the Organization.

18. His delegation believed that, as a system-wide oversight body, JIU acted as a vital link between various bodies in the United Nations system in terms of their administration and management. In that context, it was important to strengthen the mechanism for ensuring a constructive dialogue between the

executive heads of the organizations and the inspectors in order to enhance coordination within the system and eliminate potential duplication of work.

19. Mr. DECOTIIS (United States of America) said that the substantive reports compiled by JIU should be considered under the appropriate agenda item by the pertinent committee or other intergovernmental body dealing with the issue. Generally speaking, however, his delegation welcomed the Unit's contribution to the improved management and efficiency of the Organization. It also noted that too often Member States had given scant attention to JIU reports. One way to focus the attention of Member States and programme managers alike on the work of JIU would be to have the Office of Internal Oversight Services track compliance with those of the Unit's recommendations which had been approved, just as the Office had recently been asked to track compliance with the recommendations of the Board of Auditors.

20. JIU was to be commended for its efforts to coordinate its activities with those of the Board of Auditors and the Office of Internal Oversight Services. The work of those three oversight bodies could and should be complementary. To achieve that objective, they must develop a mechanism for joint planning.

21. With the advent of the Office of Internal Oversight Services, he urged the Unit to focus its activities on system-wide issues where it had the comparative advantage in analysis and reporting. JIU should pursue studies such as printing arrangements and subcontracting in the United Nations system, or cooperation between the Global Environment Facility implementing agencies and the specialized agencies of the United Nations system. Less emphasis should be placed on studies relating strictly to the United Nations itself. For example, his delegation believed that the Office of Internal Oversight Services was in a better position to conduct studies on the Organization's role in peace-keeping operations, while JIU studies should focus on system-wide involvement in such operations.

22. JIU should also select and execute studies which would support the reform process. The report entitled "Management in the United Nations: work in progress" (A/50/507) had been a valuable contribution to that effort. His delegation believed that time should be made available at the current session for a preliminary consideration of that report. The Unit could also provide the information - often not otherwise available or publicized - that Member States required to determine whether programmes and activities were producing value for money.

23. Mr. KOULIEV (Azerbaijan), referring to the JIU report entitled "Sharing responsibilities in peace-keeping: the United Nations and regional organizations" (A/50/571) and "Investigation of the relationship between humanitarian assistance and peace-keeping operations" (A/50/572), said that he questioned whether the Unit had strictly complied with its functions, mandate and obligations as stipulated in its statute. Specifically, JIU had violated the provisions of article 5 of its own Statute by failing to make concrete recommendations on how the Organization could marshal its peace-keeping resources more efficiently at a time when regional organizations had become increasingly involved in such activities. The recommendations on financing contained in the report entitled "Sharing responsibilities in peace-keeping:

the United Nations and regional organizations" (A/50/571), and specifically the proposal regarding the establishment of an emergency revolving fund to finance regional organizations' activities in maintaining peace and security, could hardly be considered realistic or pragmatic.

24. His delegation noted with regret that paragraphs 30, 38 and 48 and annex I./3 of document A/50/571 failed to reflect the fact that Nagorny Karabakh was an integral part of the Azerbaijani Republic, whereas in the same report in a similar context Abkhazia and South Ossetia were clearly identified as parts of the Republic of Georgia. The omission had been all the more disturbing in that General Assembly resolution 49/13 and a recent report of the Secretary-General (A/50/564) clearly confirmed the status of Nagorny Karabakh as an integral part of Azerbaijan. It was, moreover, astonishing that the authors of the report, who had initially admitted that the mistake was a technical one, had then changed their position and refused to correct the document. The Unit had exceeded its authority as defined by article 5, paragraph 5, of its statute and the relevant General Assembly resolutions. Any reference to the use of the terminology of the Organization for Security and Cooperation in Europe was completely irrelevant since JIU was a body of the United Nations system; it was indeed strange that the authors of the report should refer to the wording used by a regional organization and not to the relevant documents of the General Assembly. His delegation viewed the matter as a political act and an infringement upon the territorial sovereignty of the Azerbaijani Republic.

25. The CHAIRMAN said that the matter raised by the representative of Azerbaijan was beyond the competence of the Committee.

26. Mr. BOUAYAD AGHA (Chairman of the Joint Inspection Unit) said that he wished to avoid getting involved in a polemic with the Azerbaijani delegation. The report in question (A/50/571) should be placed in context as a study of conflict resolution through regional organizations. Whenever the United Nations dealt with problems in conjunction with regional organizations, the established practice was to use the terminology employed by the relevant organization. The same formulation had been used in paragraph 764 of the Report of the Secretary-General on the work of the Organization (A/50/1).

27. Mr. KOULIEV (Azerbaijan) pointed out that the document referred to by the Chairman of the Joint Inspection Unit had subsequently been corrected.

AGENDA ITEM 121: UNITED NATIONS COMMON SYSTEM (continued) (A/50/30; A/C.5/50/5, A/C.5/50/11, A/C.5/50/23, A/C.5/50/24 and Corr.1 and A/C.5/50/29)

28. Mr. ROTH (United States of America) said that in order to be effective, the United Nations must be able to attract skilled staff and must therefore be able to offer adequate levels of compensation and benefits. His Government believed that adequate levels already existed, and thus strongly opposed the recommendation of the International Civil Service Commission (ICSC) for a pay increase for Professional staff. The compensation adjustments approved in November 1995, in particular, made any increase unnecessary.

29. The Commission's unprecedented use of an equal weighting methodology and the inclusion of bonuses and performance awards had overstated compensation in

the comparator and resulted in a misrepresentation. Had the Commission followed previous practice, and had it taken into account the November 1995 adjustment, salaries would have been within the margin range.

30. In addition to technical questions, there was the more fundamental issue of purpose and need. There was no evidence that the proposed pay increase was required to recruit or retain qualified staff. On the contrary, the Commission had noted the absence of any widespread or acute recruitment problems; difficulties had been cited only at some grade levels in some occupations and for some nationalities. As a rule, there was an abundance of qualified candidates for Professional positions. If needed, agencies should use special occupational rates, which had been endorsed in principle by the General Assembly at its forty-seventh session, to address serious recruitment and retention problems.

31. The proposed pay increase came at the worst possible time, when both the United Nations and the other organizations of the common system were in the midst of a financial crisis. The increase would cost more than $100 million a year, with no compensating increase in productivity or performance. Those dollars could be better used. It would be difficult to tell the hard-working people of the United States that their tax dollars were being used to increase the compensation of United Nations staff, who already made more money than comparable employees in any civil service in the world.

32. Governments and successful corporations and other institutions everywhere were cutting budgets, reducing staff, freezing salaries and eliminating programmes. The United Nations could not ignore those trends. A pay increase would undermine the reform process within the Organization, and would have a devastating impact on public support for the United Nations.

33. Lastly, given current fiscal restraints, the time had come to re-examine the criteria used to determine post adjustments and to reconsider whether they should continue to be triggered automatically by increases in cost-of-living indices. With regard to the composition of the Commission, Member States must ensure that only qualified candidates were nominated.

34. Mr. KOUZNETSOV (Russian Federation), supported by Mr. AMARI (Tunisia), said that, with regard to issues affecting conditions of service and remuneration, his delegation had consistently advocated constructive cooperation between all parties. Unfortunately, some staff organizations had displayed an extremely negative attitude which could only impair the prospects for fruitful dialogue. His delegation objected to the tone of certain remarks which one staff association had addressed to ICSC; such comments merely undermined the consultative process.

35. Mr. ODAGA-JALOMAYO (Uganda) said that, while the Fifth Committee welcomed presentations by staff representatives, the latter should not presume that they had an automatic right to speak before the Committee. In view of the attitude displayed by certain staff associations, the Committee should review whether statements by their representatives added any value to its discussions.

36. Mr. HANSON (Canada) agreed that it was not productive for the Committee to be used as a forum for recriminations. The Committee operated on the consensus principle and a confrontational approach was unacceptable.

ORGANIZATION OF WORK

37. Mr. MENKVELD (Netherlands) noted that the Committee was due to start holding night meetings later in the week. In view of the comments on the cash situation made by the Under-Secretary-General for Administration and Management, the Committee should make more use of the regular working day by holding four meetings of two hours' duration each between 9 a.m. and 6 p.m. Even if it were necessary to go beyond 6 p.m. such a timetable would result in considerable savings.

38. The CHAIRMAN said that the current programme of work had been determined by the Bureau in consultation with the coordinators for agenda items. The meetings scheduled were necessary and could be met from within existing resources.

39. Mr. ACAKPO-SATCHIVI (Secretary of the Committee) said that the suggestion made by the representative of the Netherlands would need to be considered by the Committee on Conferences and the General Committee. There would be a practical difficulty in securing interpretation services. Consultations on the matter would be required with the management of conference services, which was extremely strict and very efficient. The Committee should take care to ensure that any changes did not result in increased costs.

40. Mr. MENKVELD (Netherlands) said that, if the current programme could be accommodated within existing resources, not having night meetings would surely result in savings. The comments by the Secretary were not convincing and he trusted that consultations could be held with a view to further rationalizing the Committee's work.

41. Mr. TOYA (Japan) supported the statement by the representative of the Netherlands.

42. The CHAIRMAN, referring to agenda item 116, said that, following consultations, he wished to inform the Committee that the Joint Inspection Unit, in accordance with its statute, would be invited to attend meetings at which its budget estimates were being discussed.

OTHER MATTERS

43. Mr. CORELL (Under-Secretary-General for Legal Affairs, The Legal Counsel), commenting on the legal implications of the statement made by the representative of the United States that his Government was not able to pay more than 25 per cent of the assessments for any peace-keeping operation, said that, according to his understanding of the statement, the United States Government was not able to pay more than 25 per cent of the assessments for any peace-keeping operation; that the limitation applied to the budget of the United Nations Mission in Haiti (UNMIH); and that, while the United States Government fully expected to join the consensus on the resolution for the financing of

UNMIH, that action should not lead to any misunderstanding that the United States would be able to pay any more than 25 per cent.

44. The matter was governed by Article 17 of the Charter, pursuant to which the General Assembly was required to consider and approve the budget of the Organization. More specifically, with regard to the question raised, Article 17 provided that the expenses of the Organization were to be borne by the Members as apportioned by the General Assembly. Consequently, once the General Assembly had approved the budget for the UNMIH operation, Member States would be obligated to bear the expenses of that operation as apportioned by the General Assembly. As matters stood, the General Assembly had determined that the portion of expenses that the United States was to bear for operations such as UNMIH was slightly more than 31 per cent.

45. Unless the General Assembly were to take action to reduce the portion of expenses that the United States was to bear for such operations generally, or for that particular operation, the United States Government would be legally obligated under Article 17 of the Charter to pay at the existing rate determined by the General Assembly.

The meeting rose at 11.40 a.m.

UNITED NATIONS

General Assembly

FIFTIETH SESSION

Official Records

FIFTH COMMITTEE
37th meeting
held on
Wednesday, 6 December 1995
at 3 p.m.
New York

SUMMARY RECORD OF THE 37th MEETING

Chairman: Mr. AMARI (Tunisia)
(Vice-Chairman)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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In the absence of Mr. Vilchez Asher (Nicaragua), Mr. Amari (Tunisia), Vice-Chairman, took the Chair.

The meeting was called to order at 3.15 p.m.

AGENDA ITEM 118: JOINT INSPECTION UNIT (continued) (A/49/34, A/49/423, A/49/560, A/49/629 and A/49/632; A/50/34, A/50/113 and Add.1, A/50/125 and Add.1, A/50/126 and Add.1, A/50/140 and Add.1, A/50/503 and Add.1, A/50/507, A/50/509, A/50/549/Add.1, A/50/571, A/50/572, A/50/686, A/50/692, A/50/721, A/50/742, A/50/753, A/50/780 and A/50/784; E/1993/119 and Add.1)

1. Mr. FAGUNDES (Brazil), speaking on behalf of the Group of Latin American and Caribbean States, said that feedback from Member States was essential to the endeavour by the Joint Inspection Unit (JIU) to improve its performance. In that context, the Group supported the suggestion by the Chairman of the Unit that the system of considering its reports on an annual basis should be reinstated. In addition, the Group believed that, in view of the large number of documents pertaining to the Unit, future reports should be listed under the relevant agenda items, thereby facilitating their more substantive consideration.

2. With regard to the Unit's 1995 report (A/50/34), the Group concurred with the views contained in chapter IV, on the need for staff support and measures to ensure the Unit's budgetary independence, and therefore supported the corresponding recommendations by the Advisory Committee contained in paragraphs IX.4-IX.10 of its report on the proposed programme budget (A/50/7).

3. In addition, the Group supported the findings in chapter VI of the Unit's report that the main issues to be addressed by Member States were the strengthening of its secretariat, the selection of the inspectors, the Unit's budgetary and administrative independence and its leadership. Where the Unit's work programme was concerned, updated information was required on the status of those reports listed in annex II which had not yet been presented to the General Assembly. In particular, close attention should be given to measures to strengthen the external oversight bodies, as mandated by General Assembly decisions 47/454 and 48/493. The resumed session of the Fifth Committee would offer an ideal opportunity for that purpose.

4. Turning to the Office of Internal Oversight Services, he said that the Group agreed with the Unit's recommendation contained in document A/50/459/Add.1 that the General Assembly should consider only those of the Office's reports that had been commented upon by the Unit and believed that the same provision should be extended to the Board of Auditors. Turning to the issue of implementation and follow-up of the Unit's recommendations, he drew attention to the observations contained in paragraph 77 of its report, stressing the need for joint efforts by the Unit and other concerned bodies, and urged all involved to abide fully by the relevant General Assembly provisions. In accordance with resolution 48/218 B, the Office of Internal Oversight Services must ascertain compliance of programme managers with the approved recommendations of external oversight bodies, including the Joint Inspection Unit.

5. Ms. RODRIGUEZ (Cuba) said that JIU had been criticized in the past for the excessively general nature and limited practical value of its recommendations but that it had made considerable efforts in recent years to improve its performance and any criticism of its work should be constructive and designed to promote that improvement. Her delegation believed, however, that the Unit was still not properly fulfilling its mandate, namely, to identify specific administrative and management problems throughout the United Nations system and to make practical and specific recommendations. In addition, some of the Unit's reports went beyond its terms of reference, as established in article 5 of its statute. In such cases, the Unit's recommendations had not been welcome.

6. Turning to the issue of the relationship between the Unit and the Office of Internal Oversight Services, she stressed the need for an effective coordination of efforts, to ensure maximum impact, as provided for in paragraph 7 of resolution 48/221. In accordance with the General Assembly's wish that the functions and attributions of the various external and internal oversight bodies should be kept distinct, her delegation stressed that the Unit was an internal mechanism of the Secretariat, reporting to the Secretary-General, while the Office of Internal Oversight Services covered the entire United Nations system and reported to the Member States. As an internal body of the Secretariat, however, the Office came under the supervision of the Unit. Her delegation commended both bodies on their excellent working relations and, in particular, on the correct interpretation of their separate roles.

7. Drawing attention to the commitment contained in decisions 47/454 and 48/493 to analyse the functioning of the external oversight bodies with a view to their strengthening, her delegation regretted the lack of progress in that area and hoped that the matter would be properly addressed by the Committee during its resumed session.

8. Noting the Unit's appeal for action and guidance from the General Assembly with regard to its needs for administrative support, her delegation regretted that the Secretariat had ignored appropriate directives of the General Assembly and hoped that Member States would ensure that their decisions were properly implemented during deliberations on the 1996-1997 proposed programme budget. In particular, her delegation failed to understand how the Secretariat could recommend 14 new posts for the Office of Internal Oversight Services, while refusing the Unit's request for a modest increase in resources.

9. After expressing her delegation's concurrence with the view, expressed in paragraph 72 of the Unit's report (A/50/34), that follow-up was the most important phase of its work and the starting-point for testing the quality and impact of its recommendations, she commended the Unit on the internal efforts it had made to that end.

10. Mr. CHUDY (Poland), welcoming the improvement in the working methods of the Joint Inspection Unit, stressed the need in future to avoid duplication of reports and unnecessary reporting. In addition, he supported the statement by the Norwegian representative at an earlier meeting that the Unit should strengthen and refine its cooperation with the Office of Internal Oversight Services. He endorsed the suggestion that the General Assembly should consider the Unit's annual reports on an annual basis.

11. Mr. BOUAYAD-AGHA (Chairman of the Joint Inspection Unit) said that the Unit, which was defined by the mandate entrusted to it by the Member States, could not be popular and also discharge its functions as an inspectorate effectively.

12. The representative of Japan had sought clarification from the Secretariat on the omission of the Unit's budgetary proposals from the proposed programme budget. The Secretariat's failure to respond to the Japanese request was an indication of its attitude towards the Unit's budgetary requirements and the relevant decisions of the General Assembly, and he expressed the hope that Member States would not permit that attitude to prevail.

13. With regard to the issue of the Unit's leadership, referred to in paragraph 48 of its report (A/50/34), he said that the Unit intended to consider ways of enhancing the roles of the Chairman and Vice-Chairman in order to harness more effectively the collective wisdom of the Unit, as envisaged in its statute.

14. In response to a request from the Group of Latin American and Caribbean States, he provided updated information on the status of various reports, listed in document A/50/34, annex II, which had not yet been submitted to the General Assembly. The investigation into the management-Staff Union relationship in the United Nations system had been started some time ago, but the Unit was currently waiting for important information, especially from the United Nations Secretariat. The report on common services of United Nations organizations in New York was nearly complete and would be introduced during the resumed session of the Fifth Committee. The system-wide comparative review of methods of geographical distribution should be complete in time for the fifty-first session of the General Assembly. The Office of Internal Oversight Services was looking into the card access system, and the Unit was waiting to learn the results of that investigation. Part II of the report on the inspection of the application of United Nations recruitment, placement and promotion policies would be submitted to the Fifth Committee at the resumed session. The report on United Nations system development cooperation in science and technology: Latin America and the Caribbean, had been postponed until 1996, owing to the Unit's inadequate research capacity. The evaluation of the implementation of the United Nations New Agenda for the Development of Africa in the 1990s had been completed and transmitted to the participating organizations for action. Finally, the reports on the military component of United Nations peace-keeping operations and strengthening the United Nations system's capacity for conflict prevention were being translated.

AGENDA ITEM 121: UNITED NATIONS COMMON SYSTEM (continued) (A/50/30 and Corr.1; A/C.5/50/5, A/C.5/50/11, A/C.5/50/23, A/C.5/50/24 and Corr.1 and A/C.5/50/29)

15. Ms. KIENLE (Germany) said that her delegation wished to associate itself with the statements made at earlier meetings by the representatives of Japan and the Republic of Korea concerning the Secretary-General's decision to suspend permanent and probationary appointments. At a time when the International Civil Service Commission (ICSC) was proposing measures to improve conditions of service, that decision would bring about a deterioration in such conditions, especially for young staff members recruited through national competitive

examinations, without in any way, ameliorating the cash-flow situation or promoting a more sound management culture. She therefore hoped that it would be withdrawn.

16. Mrs. ARCHINI (Italy) said that her delegation joined the representative of Germany in supporting the statements by the Republic of Korea and Japan. Italy had been very concerned by the decision to suspend permanent appointments after the probationary period for young staff members recruited through national competitive examinations and hoped that the Secretary-General would reconsider the decision.

17. Ms. ALMAO (New Zealand), supporting the statements by the previous speakers, said that the decision was unacceptable as it represented a breach of contract with staff members recruited through competitive examinations.

18. Mr. MUÑOZ (Spain), also supporting the statements by previous speakers, hoped that the Secretariat would reconsider and rescind the decision.

19. Mrs. EMERSON (Portugal) said that her delegation joined the others in expressing concern about the decision. The Secretary-General should respect not only the contracts made with new staff members recruited by competitive examination but also the corresponding understandings with Member States. Her delegation hoped that the decision would be rescinded.

20. Mr. HANSON (Canada), associating himself with previous speakers, said that entry-level recruitment was the oxygen by which any organization lived: the young people recruited today would be the lifeblood of the Organization in 10 years' time, and his delegation therefore hoped that the decision would be suspended.

21. Mr. BEL HADJ AMOR (Chairman of the International Civil Service Commission), responding to questions raised during the general debate on the report of the International Civil Service Commission (ICSC) for the year 1995 (A/50/30 and Corr.1), said that the changes in margin methodology approved by the Commission in 1995 related to the inclusion of special pay systems and the method of aggregating them with the General Schedule. The changes applied to all relevant elements of net remuneration on the comparator side, including bonuses and merit awards, and their combined effect was approximately four percentage points.

22. Responding to the suggestion that the Commission had approved the changes with the intention of lowering the margin, he emphasized that only those changes which were necessary to effectively represent the full range of remuneration provided by the comparator service had been introduced. Changes in the comparator's remuneration system which had the effect of introducing new special pay systems and eliminating or revising others had made it necessary to examine the manner in which such pay systems should be considered in net remuneration margin comparisons. In addition, the effect of the delay in reflecting several special agency rates after their introduction in the comparator service had been to understate the true level of compensation available in the comparator's systems. The consequence of the failure to adapt margin methodologies to the realities of the comparator pay system would have been to tie them to the least

competitive element of the comparator's pay system, namely, the General Schedule.

23. A number of delegations had sought clarification on the methodology used to make remuneration comparisons between the United Nations and the United States federal civil service. The Commission's review of the application of the Noblemaire principle included a comprehensive study of the measurement procedures used to determine remuneration levels on both sides. Such periodic reviews were essential in the light of the rapid evolution of pay systems in the comparator civil service. The task of measuring the pay of the comparator civil service had grown increasingly complex as the comparator's pay systems had evolved. In fact, the United States federal civil service was no longer a single monolithic system that could be adequately represented by the General Schedule. It currently reflected more than 100 separate pay systems, many of which paid rates that were 30 to 40 per cent higher than the General Schedule because of the latter's non-competitiveness in the United States labour market. The Commission believed that effective implementation of the Federal Employees' Pay Comparability Act (FEPCA) of 1990 would have gone a long way towards resolving the comparator's recruitment and retention problems and would have reduced related problems in the United Nations common system. The failure to implement the reforms provided for in FEPCA, however, meant that the comparator's General Schedule pay levels remained uncompetitive.

24. There appeared to be some misunderstanding on the subject of special rates. The Commission was opposed to the introduction of special pay rates on an agency-wide basis, but it supported the introduction of special occupational rates in the common system as a means of addressing recruitment problems for some specialized technical occupations.

25. The record of the Commission's deliberations on the review of the application of the Noblemaire principle reflected the different perspectives of individual members. While the Commission sought in its report to reflect the diversity of views expressed, emphasis should be placed on its final recommendations and decisions, which reflected a consensus position.

26. Disappointment had been expressed over the Commission's failure to complete the studies aimed at identifying the highest-paid national civil service. It was the Commission's understanding that all relevant data had been collected and appropriately reported to the Assembly under paragraphs 122 to 172 of its annual report. Consequently, while it would continue to monitor the German/United States total compensation comparison, ICSC considered the chapter on studies closed.

27. As for the analysis of the study's results, the Commission was not persuaded that extending the study to the rest of Germany would have much impact, since the difference between the overall level of compensation in Beamte and Angestellte was only 3 per cent and any shift in the relative weights of those two categories would therefore have only a marginal effect on the overall result.

28. With regard to the Commission's recommendation to restore the net remuneration margin to the desirable mid-point of 115 in 1996, he recalled that

in its resolution 40/244 the General Assembly had approved the range of 110 to 120 with a desirable mid-point of 115. That range had been confirmed in subsequent resolutions. As for the suggestion that the increase in post adjustment in New York which was due in November 1995 would lead to increases at other duty stations throughout the world, he wished to emphasize that the increase was applicable only to New York.

29. Turning to the recruitment and retention difficulties reported by organizations, he noted that statistics on recruitment difficulties had always been difficult to compile and interpret. Following a detailed analysis of the matter in 1994, the Commission remained unconvinced of generalized recruitment problems. The Commission also had difficulty in agreeing with the conclusion that the performance of staff in the common system did not measure up to that of staff in the private sector, non-governmental organizations and Member States. It was becoming clear, however, that absolute proof of the difficulties cited by the organizations in attracting and retaining high-calibre staff from all countries, including those with high pay levels, would be difficult to obtain. Accordingly, that was one of the many factors which the Commission had taken into account in making its recommendations.

30. The Commission strongly believed that productivity gains should go hand in hand with improvements in conditions of service. Improved salary levels did not run counter to management reforms and increased productivity. Indeed, the two elements were mutually reinforcing.

31. The Commission continued to monitor the relationship between the net remuneration levels of the Professional and higher categories and the General Service and related categories. It had also scheduled for 1996 a comprehensive review of the operation of the mobility and hardship scheme.

32. Finally, with regard to the call for the Commission's proceedings to be more open and transparent, he wished to stress that deliberations on all substantive issues were carried out with the active participation of all concerned parties. The difficulty seemed to lie more with the outcome of the process than with the process itself, but such criticism was part of the price to be paid for impartiality of action.

33. Mr. HALLIDAY (Assistant Secretary-General, Office of Human Resources Management) said that he wished to support the Chairman of ICSC on certain aspects of the Commission's report. On the question of the recruitment and retention of staff, the Consultative Committee on Administrative Questions (CCAQ) had submitted to ICSC in 1994 the results of a study covering the period 1989 to 1993. The study analysed the rate of staff turnover due to voluntary departures, the qualifications of applicants for vacancies in the Organization, the number of applicants declining job offers and the rate at which organizations were obliged to hire staff above the mid-point of the respective salary scale.

34. The data compiled by CCAQ showed that during the period in question, there had been 736 voluntary departures from 9 different organizations, more than 950 vacancies in 8 organizations had remained unfilled, 234 cases of appointments above the mid-point of the respective salary scale had been recorded in 7

organizations, and there had been 83 documented cases of offers of appointment which had been declined in 5 organizations. The above data confirmed the experience of the United Nations that, to an increasing extent, the compensation systems available at the United Nations were simply not attractive enough for the best and the brightest from the Organization for Economic Cooperation and Development (OECD) countries and other countries whose salary structures were competitive with those of the international market-place. The sample chosen was significant and representative in terms of the type of organizations reporting as well as the grades and occupational spreads covered.

35. The study also showed that the United Nations common system had an overall turnover rate for staff that was greater than that of the United States federal civil service at comparable grades. Approximately one third of departures were voluntary and took place after an average of six years' service. Of the total number of voluntary departures, 89 per cent was due to resignations and non-renewal of contracts. The problem of retention of staff was particularly acute at the P-4 and higher levels and in respect of staff from Western European countries working in the medical, scientific, technical and administrative fields.

36. The percentages of voluntary departures from United Nations organizations in 1992 replicated the departure rates cited by a study conducted by the United States Government in 1987. Analysis had shown that during the period 1992-1993, there had been some 20,000 applications to fill 455 vacancies. Of the 54 applicants for each post, only 3.3 had been deemed to be adequately qualified.

37. On the question of special rates of pay, since 1985 the United States federal civil service had resorted to special pay rates. By 1989, 11 per cent of all federal civil servants had been paid at special rates in 10 federal agencies. In accordance with the Noblemaire principle, a case could be made for comparing United Nations remuneration for each relevant occupational group directly with the highest special rates paid to employees in the federal civil service.

38. Regarding the suspension of the granting of permanent contracts to holders of probationary contracts recruited through national competitive examinations, he acknowledged that the issue was an important one both for those countries which had voiced their concern and for the Organization, whose future depended on the willingness of young recruits to remain for the long haul. The Secretary-General's decision had not been intended to undermine the desire of young recruits to work with the Organization or to weaken any aspect of the career system in the United Nations. Indeed, the Secretary-General recognized that the granting of permanent contracts was important in order to provide management by a core of professional staff. The granting of permanent contracts was one of the few advantages that set the United Nations apart from the World Bank, OECD and other international employers.

39. Over the previous few days he had met with his young colleagues and had listened to their concerns. He had explained that the change in status was not directly related to their career development and should not be viewed as a reduction in the Secretary-General's commitment to their long-term goals.

Security of employment in the Organization depended more on the quality of an individual's performance over the years than on any contractual relationship.

40. Nevertheless, following the discussions which he and the Under-Secretary-General for Administration and Management had had with concerned Member States, consultations had been initiated with the Office of Legal Affairs to determine how best to respond to the concerns that had been raised. He hoped to be able to submit a compromise solution to the Secretary-General that would satisfy both the young professionals and Member States. He further hoped that, at its fifty-first session, the General Assembly would develop some policy proposals on the issue of permanent contracts with a view to determining the proper balance between fixed-term and permanent appointments.

AGENDA ITEM 164: NORMALIZATION OF THE SITUATION CONCERNING SOUTH AFRICA (A/50/250/Add.3, A/C.5/50/1/Add.1 and A/50/L.44)

41. The CHAIRMAN said that, owing to the financial complexity of agenda item 164 on normalization of the situation concerning South Africa, the General Assembly had invited the Fifth Committee to provide technical observations regarding the implementation of draft resolution A/50/L.44.

42. Mr. TAKASU (Controller) introduced an informal note prepared by the Secretariat to facilitate consideration of item 164 and clarify the procedures to be followed in the event of the adoption of draft resolution A/50/L.44 by the General Assembly. Under the draft resolution, South Africa's unpaid assessments accruing up to 23 June 1994, the date of adoption of General Assembly resolution 48/258 A authorizing South Africa to resume its participation in the General Assembly's work, would be considered no longer due and payable.

43. South Africa's total unpaid assessed contributions to the regular budget for the period from 30 September 1974, when its participation in the General Assembly's work had been suspended, to 31 December 1993 came to $53,881,711. When Member States failed to pay assessed contributions, the corresponding shortfall was borrowed from the Working Capital Fund or the Special Account or from budgetary surpluses retained at the end of the biennium through suspension of the Financial Regulations by the General Assembly. The total amount retained in that manner was currently $122.2 million, which would be returned to Member States on a pro rata basis when the financial situation improved. In the event of the adoption of draft resolution A/50/L.44 by the General Assembly, Member States would permanently waive the right to their respective shares in $53,881,711 of the surplus for the biennium 1986-1987 retained under the terms of General Assembly resolution 42/216 A. Annex I of the informal note showed the indicative amounts to be offset for individual Member States against the surplus retained for that biennium. The designation of Member States listed in the annex reflected their official designation during the period 1986-1988 and not their current political status.

44. South Africa's outstanding debt of $250,000 to the Working Capital Fund was not mentioned in the draft resolution so that South Africa's liability to contribute its full share to that Fund was presumably unaffected.

45. South Africa's total unpaid assessed contributions for peace-keeping operations for the period from 30 September 1974 to 23 June 1994 came to $40,905,714. In the event of adoption of the draft resolution, the unpaid contributions could be offset either by assessment of Member States for the equivalent amount or by means of a permanent waiver by Member States of their rights to a corresponding share in the budgetary surpluses already retained. Such surpluses existed for only two special accounts: $64.9 million for the United Nations Emergency Force/United Nations Disengagement Observer Force (UNEF/UNDOF) and $108.5 million for the United Nations Interim Force in Lebanon (UNIFIL). If the second option was chosen, Member States might decide to waive their rights to their respective shares in the budgetary surpluses on a pro rata basis. Annex II showed the indicative amounts to be offset against those surpluses for individual Member States. The figures were indicative because the current scale of assessments and current membership of the Organization had been used in making the calculations, which would otherwise have been extremely complicated.

46. Mr. TELLO (Mexico) said that at a time when the United Nations was going through a serious financial crisis his Government was extremely confused to learn that the Fifth Committee was discussing such matters as a rise of almost 10 per cent in the salaries of United Nations staff and the possibility of waiving payment of South Africa's assessed contributions. The action proposed in draft resolution A/50/L.44 implied suspension of the terms of Article 19 of the Charter of the United Nations. South Africa was a country with a vast supply of natural and human resources and with sufficient financial resources to have produced and later destroyed nuclear weapons. If the unprecedented step of suspending Article 19 were to be taken on behalf of South Africa, why not do so also on behalf of other States that had been unable to fulfil their commitments to the United Nations?

47. South Africa's total outstanding contributions had been given as $118,943,354 in document A/50/666/Add.2 dated 28 November 1995. That figure had subsequently been adjusted downwards to $103,776,764 so as to reflect the situation during the period from 30 September 1974 to 23 June 1994. His delegation noted that the total had been further reduced to $94,787,425 in the informal note currently before the Committee and wished to know whether that figure was official or merely "informal". Given the downward trend, it looked as though South Africa's debt to the Organization might disappear entirely if the General Assembly waited long enough.

48. His delegation would have no objection to the adoption of draft resolution A/50/L.44 if the sponsors of the draft resolution were willing to assume financial responsibility for its implementation. In that connection, he was surprised to note that the United States of America, currently the Member State with the largest debt to the Organization, was one of the sponsors. However, if the financial implications of the resolution were to be borne by all Member States, his delegation would have to seek instructions from its Government before joining in a consensus that would require it to waive its right to reimbursement of over $500,000.

49. The list of Member States in annex I of the informal document included some States, such as Czechoslovakia and the German Democratic Republic, that no

longer existed and excluded certain other countries. He asked what the implications were for the pro rata sharing of costs.

50. Lastly, he pointed out that although Mexico was contending with an unprecedented financial crisis, it had paid its contributions to the regular budget in full.

51. Mr. HO (Singapore) said that his delegation was sympathetic to the exceptional circumstances faced by South Africa and was therefore a sponsor of draft resolution A/50/L.44. The Controller had stated that the draft resolution determined that South Africa's unpaid assessments accruing to 23 June 1994 would be considered no longer due and payable. However, the draft resolution referred specifically to the period between 30 September 1974 and 23 June 1994. He asked the Controller to explain the apparent inconsistency.

52. Mr. ELZIMAITY (Egypt) said that his delegation was a sponsor of draft resolution A/50/L.44 and hoped that it would be adopted by consensus.

53. Mr. RONNEBERG (Marshall Islands) said that his delegation, which was a sponsor of draft resolution A/50/L.44, believed that the arrears owed by the former apartheid regime should be considered no longer due and payable and therefore agreed with paragraphs 5 and 8 (b) of the informal note prepared by the Secretariat. Its support for the draft resolution was contingent on the understanding that the General Assembly was not setting a precedent that might be selectively applied in the future.

54. Mr. LACLAUSTRA (Spain), speaking on behalf of the European Union, said that a number of questions remained to be answered in the context of the informal note and that the European Union looked forward to participating in the informal consultations on the subject.

55. Mr. CHINVANNO (Thailand) said that he wished to know if there was a particular reason for offsetting the unpaid contributions against the budget surplus for the biennium 1986-1987.

56. Mrs. ARAGON (Philippines) said that her delegation had decided to become a sponsor of draft resolution A/50/L.44.

57. Mr. MALAN (Côte d'Ivoire) said that the reasoning underlying the remarks by the representative of Mexico was inconsistent with reality, logic and the political philosophy underlying the establishment of the United Nations. His delegation supported draft resolution A/50/L.44 because South Africa had not participated in the work of the United Nations during the period of its suspension. However, now that that country had eliminated the abject system of apartheid and had resumed its participation, the international community should make a positive gesture towards it. The matter should not be viewed in the context of the financial crisis facing the United Nations.

58. Mr. GJESDAL (Norway) said that his delegation was pleased to support the technical options for waiving the unpaid contributions of South Africa set out in paragraphs 5 and 8 (b) of the informal note.

59. As to the question of how to accommodate the General Assembly's request to the Fifth Committee for its technical observations, the Bureau should convey to the Assembly the gist of the various technical observations made at the current meeting.

60. Mr. Soong Chul SHIN (Republic of Korea) announced that his Government had decided to become a sponsor of draft resolution A/50/L.44.

61. Mr. TAKASU (Controller) said that all the data provided in the informal note prepared by the Secretariat were official and that every effort had been made to ensure their accuracy to the nearest dollar. Other documents issued by the Secretariat, including those relating to the status of outstanding contributions, indicated that the current amount owed by South Africa was $118 million. The figure referred to in draft resolution A/50/L.44 pertained to the period 30 September 1974 to 23 June 1994, and was therefore lower.

62. With regard to paragraph 4 of the informal note, he said that in view of the high level of outstanding contributions the General Assembly had decided on four occasions in the past to suspend the Financial Regulations to allow the Secretariat to continue to operate. The budgetary surpluses retained in such instances were the figures pertaining to Member States at the particular time concerned. It had been suggested in the current instance that Member States would waive their rights to their respective shares of surpluses for the biennium 1986-1987 because paragraph 1 of draft resolution A/50/L.44 had designated that biennium. That was the period which had resulted in a sufficient budgetary surplus to cover the amount owed by South Africa for the period of its non-participation in the work of the General Assembly.

63. Annex I had been included in the informal note to indicate the amounts to be offset for the Member States during the biennium 1986-1987. It was very important to bear that in mind. Questions of succession or political status did not enter into consideration.

64. Mr. TELLO (Mexico) said he was pleased that no objection had been raised to the idea that the Member States which were sponsors of draft resolution A/50/L.44 would be the ones to waive their rights to their respective shares of the budgetary surplus for the biennium 1986-1987. He requested the Controller to provide a new informal document indicating the precise amounts to which those Member States would be waiving their rights. He also wished to know whether the waiver of rights would be recorded in a note to the Secretary-General or would take some other form.

65. Mr. MWAKAWAGO (United Republic of Tanzania) said that his delegation, which was a sponsor of draft resolution A/50/L.44, considered the issue a matter of principle and deemed it unrelated to the financial crisis. The idea that only the sponsors of the draft resolution should be considered as having waived their rights was entirely unprecedented.

66. Mr. HANSON (Canada) said that, in accordance with the Charter, the moneys involved were expenses of the United Nations and as such were to be borne by all Member States without exception.

67. Mr. TELLO (Mexico) said that his country maintained very cordial relations with South Africa, and the question had nothing to do with bilateral relations between States. One reason his delegation was not a sponsor of draft resolution A/50/L.44 was that the cost to Member States had been unknown until the informal note had been circulated. His delegation still had to consult with its Government regarding the matter.

68. Notwithstanding the statement in paragraph 3 of the draft resolution, delegations must realize that, whether they liked it or not, they were setting a precedent which might be invoked by any Member State in the future. It was therefore crucial that Members should adopt any decision on the matter with full knowledge of what was involved.

69. The CHAIRMAN pointed out that the Committee was not expected to take any action on draft resolution A/50/L.44. The text had been submitted to the Committee for its technical observations. Those observations would be transmitted to the plenary Assembly, which would take action.

70. Mr. TAKASU (Controller) said that paragraph 1 of draft resolution A/50/L.44 provided the basis for the statement in paragraph 5 of the informal note prepared by the Secretariat that "Member States would be permanently waiving their rights to their respective shares of $53,981,711 of the surpluses for the biennium 1986-1987". The amount authorized by General Assembly resolution 42/216 A for retention was more than sufficient to cover the unpaid contributions of South Africa for the regular budget for the period in question. The reference was to the budgetary surplus belonging to the States Members of the United Nations at the time the surplus had been declared. Pursuant to the Financial Regulations, once the financial situation of the Organization improved, the budgetary surplus would be returned to the States Members of the United Nations on the basis of the scale of assessments at the time in question. That was why paragraph 5 of the informal note indicated that Member States would be permanently waiving their rights to the amount concerned.

71. Mr. TELLO (Mexico) said that when surpluses accumulated in the United Nations budget, particularly for peace-keeping operations, the Secretariat sent written notification to Member States. Mexico had always acknowledged such notifications, asking the Secretariat whether those amounts would be offset against future payments due from Mexico or credited against Mexico's current outstanding debts. Accordingly, he wondered whether the Secretariat would expect each Member State to submit, in writing, an explicit waiver of its entitlement to its share of the 1986-1987 budget surpluses or whether consideration should be given to an arrangement whereby the debt was distributed among the sponsors of the resolution.

72. Mr. TAKASU (Controller) said that on numerous occasions the General Assembly had decided to suspend the financial regulation relating to budgetary surpluses and not to return those funds to Member States. Such a provision was contained in paragraph 1 of the draft resolution: the budgetary surplus accumulated in the biennium 1986-1987 would be reduced by an amount of $53.8 million, subject to the General Assembly's approval.

73. Annex I of the informal note indicated the amounts by which Member States' credits arising from the 1986-1987 budget surplus would be reduced should that decision be adopted. He stressed, however, that the figures were purely indicative.

74. Mr. TELLO (Mexico) said that, where the regular budget was concerned, it was his understanding that Member States would not be required to submit written notifications to the Secretary-General waiving their entitlements. He wondered, however, whether the same was true of the amounts retained from the special peace-keeping accounts and whether those figures were also purely indicative.

75. Mr. NATHON (Hungary) pointed out that, by selecting the budget surplus accumulated during the biennium 1986-1987, the Secretariat was introducing a discriminatory element. Hungary had been a Member of the Organization at that time and hoped eventually to receive its share of the accumulated surplus.

76. Mr. OBLIN (France) said that, like other members of the European Union, France was willing to explore means of finding a harmonious solution to the problem. He pointed out that in France, as in many other countries, it was a relatively common practice to waive credits, as an internal arrangement, but that such measures might have to be treated as a new assessment, requiring new authorization.

77. Mr. HANSON (Canada) said that his country had decided to sponsor the draft resolution in view of the unique circumstances which had given rise to it. For some 20 years, South Africa had, by decisions of the General Assembly, been excluded from participation in the work of the General Assembly and, in accordance with the principle that there could be no taxation without representation, South Africa could not be expected to pay its contributions for that period. The Organization was now faced with the consequences of its decisions, and their financial implications would have to be borne by the entire membership.

78. With regard to the issue of waivers, he pointed out that over the previous few months the United Nations had adopted funding arrangements for international tribunals which were based partly on offset credits. That arrangement had been made by decision of the General Assembly alone and without the need for any waiver by the Member States concerned.

79. Mr. OWADE (Kenya) said that his country had also sponsored the resolution in view of the unique nature of the situation, which could not therefore be considered as setting a precedent. He pointed out that it was not the Committee's function to discuss whether or not to cancel South Africa's debt: rather it was required to prepare technical advice.

80. Mr. TAKASU (Controller) said that annex II of the informal note listed the likely amounts that would be offset against credits for peace-keeping operations. The calculations had been based on the current scale of assessments and were purely indicative.

81. In response to the representative of Hungary, he said that the biennium 1986-1987 had been selected as it had produced the only surplus large enough to cover the arrears owed by South Africa.

82. The CHAIRMAN suggested that the Committee should authorize him to inform the President of the General Assembly that, should the General Assembly adopt draft resolution A/50/L.44, it would be understood that the draft resolution would be implemented in accordance with the procedures contained in paragraphs 5, 6, 8 (b) and 9 of the informal note.

83. Mr. TELLO (Mexico) said that his delegation would need to consult its Government for instructions on how to proceed in the matter and that it would require at least 48 hours for that purpose.

84. With regard to the procedure to be followed, he said that Mexico had taken careful note of the emphasis placed by the Controller on the indicative, rather than official, nature of the document and of such anomalies as its allocation of amounts to countries which no longer existed.

85. Mr. LACLAUSTRA (Spain), speaking on behalf of the European Union, said that the exchange of views on the issue had been very useful and would provide a good framework for informal consultations on the technical observations which the General Assembly had requested.

The meeting rose at 6.35 p.m.

UNITED NATIONS

General Assembly

FIFTIETH SESSION

Official Records

FIFTH COMMITTEE
38th meeting
held on
Thursday, 7 December 1995
at 10 a.m.
New York

SUMMARY RECORD OF THE 38th MEETING

Chairman: Mr. VILCHEZ ASHER (Nicaragua)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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AGENDA ITEM 116: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1996-1997 (continued)

Revised estimates: effect of changes in rates of exchange and inflation

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Distr. GENERAL
A/C.5/50/SR.38
18 January 1996

ORIGINAL: ENGLISH

95-82684 (E)

The meeting was called to order at 10.20 a.m.

AGENDA ITEM 116: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1996-1997 (continued)

Revised estimates: effect of changes in rates of exchange and inflation (A/C.5/50/38)

1. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the proposed recosting of the proposed programme budget for the biennium 1996-1997 would give a net increase of $140.7 million under the expenditure sections and a net increase of $17.8 million under the income sections. The increase under the expenditure sections was attributable to increased requirements of $91 million in respect of exchange rates and $50.8 million in respect of the recommendations of ICSC, which had been somewhat offset by reduced requirements of $1.1 million in respect of inflation.

2. The recosting was based on information available up to November 1995 and, in accordance with a recommendation of the Board of Auditors, reflected the average exchange rates for 1995 instead of the latest exchange rates.

3. The Advisory Committee had been informed that the increase of $50.8 million in respect of the ICSC recommendations reflected their impact on the proposed staffing table of the Organization during the biennium 1996-1997, while the statement by the Secretary-General on the administrative and financial implications of the ICSC recommendations (A/C.5/50/24 and Corr.1), in accordance with established practice, reflected the implications estimated in relation to a P-4 (step VI) post, which was the matching point of the common system scale with the GS-13 and GS-14 levels of the comparator.

4. The General Assembly, in its resolution 41/213, had requested the Secretary-General to make efforts to absorb, to the extent possible, expenditures relating to fluctuations in rates of exchange and inflation through savings from the programme budget, without causing in any way a negative impact on programme delivery and without prejudice to the utilization of the contingency fund. In that connection the Advisory Committee had been informed that the Secretary-General had endeavoured to absorb to the greatest extent possible the additional requirements resulting from inflation and currency fluctuations without affecting programme delivery. In the proposed programme budget a reduction of $98.1 million, including efficiency savings amounting to $35.5 million, had been proposed, and further efforts to enhance efficiency were under way.

5. The Advisory Committee had found no technical basis for objecting to the Secretary-General's revised estimates arising from recosting as a result of changes in rates of exchange and inflation and implementation of the recommendations of ICSC, and accordingly transmitted them to the Fifth Committee for consideration.

6. Mr. BIRENBAUM (United States of America) asked for an explanation of the income projections and, in particular, the changes reflected in the recosting.

7. Mr. TAKASU (Controller) said that the impact of the recosting was indicated in paragraph 15. Some of the income arising under income sections 1 and 2 was in currencies other than the United States dollar, and had been recosted using new exchange rates. Income section 3 was more complex, in that it covered several income-generating activities, such as the issuance of postage stamps, sales publications and visitors services. The figures under income section 3 were the net result of revenue from those activities, the cost of which had increased owing to the impact of inflation on salaries. The figures were also affected by currency fluctuations with respect to services at Geneva and Vienna; income derived from those activities had increased in United States dollar terms. The original net result had been approximately $6 million, but since costs, in United States dollar terms, had increased more sharply than revenue, the revised estimates showed a dramatic reduction.

8. Mr. BIRENBAUM (United States of America) asked whether the increase in income was attributable entirely or in the main to exchange rate changes or whether other factors were involved.

9. Mr. TAKASU (Controller) said that expenses under income section 3 related to the salaries of staff members engaged in various revenue-producing activities, and thus needed to be adjusted for currency fluctuation and for inflation, in common with salaries under the expenditure sections. Revenue under income section 3 had no element of salaries and was affected only by currency rates.

The meeting rose at 10.35 a.m.

UNITED NATIONS

General Assembly

FIFTIETH SESSION

Official Records

FIFTH COMMITTEE
39th meeting
held on
Tuesday, 12 December 1995
at 3 p.m.
New York

SUMMARY RECORD OF THE 39th MEETING

Chairman: Mr. VILCHEZ ASHER (Nicaragua)

later: Mr. AMARI (Tunisia)
(Vice-Chairman)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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Revised estimates for the International Seabed Authority for 1996

Establishment of the Efficiency Board

AGENDA ITEM 138: ADMINISTRATIVE AND BUDGETARY ASPECTS OF THE FINANCING OF THE UNITED NATIONS PEACE-KEEPING OPERATIONS (continued)

(b) RELOCATION OF UKRAINE TO THE GROUP OF MEMBER STATES SET OUT IN PARAGRAPH 3 (c) OF GENERAL ASSEMBLY RESOLUTION 43/232

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A/C.5/50/SR.39
29 January 1996

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95-82717 (E)

The meeting was called to order at 3.20 p.m.

ORGANIZATION OF WORK

1. Mr. RIESCO (Director of Conference Services), reporting on the technical and financial implications of the proposal by the representative of the Netherlands that the Committee should rationalize its work by scheduling four two-hour meetings daily, beginning at 9 a.m., 11 a.m., 2 p.m. and 4 p.m., said that, while the Secretariat would be ready to provide conference services to accommodate whatever schedule would be most productive for the Committee's work, the proposal raised a number of issues relating to the efficient use of resources.

2. First, the proposed new schedule provided for only eight hours of meetings daily compared with the 12 hours currently available. Second, interpretation teams operated on the basis of three-hour assignments, which was consistent with the normal length of meetings of United Nations bodies. Since the daily total of eight hours was not a multiple of three, one hour of interpretation service would remain unutilized. It might therefore be preferable in that case to extend the last meeting of the day by one hour. Third, the fact that the Committee would be meeting on a daily schedule which was different from that of the Security Council and other bodies of the General Assembly would make it more difficult to reassign conference resources in the event of the cancellation meetings and that would result in cost inefficiencies. While it was true that the current system of 12 hours of meetings daily required overtime payments for the servicing of evening and night meetings, the expenditure thus incurred would remain within the budgetary limits authorized for the period in question because of the restrictions which had been imposed earlier in the session.

3. Mr. AMARI (Tunisia) said that the Fifth Committee could not be compared to other Main Committees of the General Assembly. It was out of a sense of responsibility that the Committee had requested night meetings to enable it to complete its work on time and after having made full use of the time which had been available to it.

4. Mr. GOUMENNY (Ukraine) sought clarification as to why agenda item 138 (b) on the relocation of Ukraine to the group of Member States set out in paragraph 3 (c) of General Assembly resolution 43/232 had been removed from the tentative programme of work for the current week.

5. Mr. ACAKPO-SATCHIVI (Secretary of the Committee) said that the item just referred to by the representative of Ukraine had been deferred to the informal consultations scheduled for the following week because of the absolute priority which had to be given to consideration of the proposed programme budget for the biennium 1996-1997.

6. Mr. GOUMENNY (Ukraine) said that he could not accept the explanation given by the Secretary of the Committee, since the item on the scale of assessments for the apportionment of the expenses of the United Nations, which had replaced agenda item 138 (b) in the current week's tentative programme of work, was a procedural and not a budgetary matter.

7. The CHAIRMAN said that the Secretariat would respond to the concerns raised by the representative of Ukraine at a later stage.

8. Ms. ALMAO (New Zealand) asked when the Secretary-General's reports on the financing of the United Nations Protection Force (UNPROFOR) and other peace-keeping operations and of the International Tribunals would be made available to the Committee.

9. Mr. TAKASU (Controller) said that a number of items still remained on the Committee's agenda. The mandates of several peace-keeping operations were due to expire on either 31 December 1995 or 31 January 1996. In the light of the dramatic changes in the situation in the former Yugoslavia, the Secretary-General had been requested to submit to the General Assembly by 14 December 1995 recommendations for a course of action to ensure that the operations in the former Yugoslavia were not interrupted. He hoped that the report would soon be completed; it would provide a basis for action by the General Assembly covering the first few months of 1996 and give the Secretariat enough time to prepare a more detailed cost estimate.

10. The spending authority for the financing of the United Nations Missions in Liberia, Rwanda and Angola were due to expire on 31 December 1995. In the light of the recent decision by the Security Council with regard to the United Nations Observer Mission in Liberia, the cost estimates for that Mission needed to be revised. The Secretariat had scheduled a meeting on that subject with the Advisory Committee on Administrative and Budgetary Questions for 14 December, after which it would report to the Fifth Committee.

11. The mandate of the United Nations Assistance Mission for Rwanda had been extended by four days to enable the Security Council to reach a decision on the Mission's future. In the event of a downward revision of the cost estimates, the Secretariat would provide the necessary information to the Advisory Committee to enable it to make recommendations to the Fifth Committee.

12. The Secretariat had already submitted the cost estimates for the United Nations Angola Verification Mission to the Advisory Committee. It had also introduced its report on the United Nations Interim Force in Lebanon (UNIFIL), commitment authority for which was due to expire on 31 January 1996. As soon as the Advisory Committee had completed its consideration of the various estimates submitted to it, the Fifth Committee would be requested to take action.

13. With regard to the cost estimates for the International Tribunals for the former Yugoslavia and Rwanda, the submissions from the Registries of the respective Tribunals were extremely voluminous and difficult to analyse. Nevertheless, the Secretariat hoped to finalize the revised estimates and statements of programme budget implications over the following few days to permit the Committee to grant a bridging authority, subject to review by the Advisory Committee early in 1996.

14. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that he wished to confirm the points just made by the Controller. The Advisory Committee's draft opinion on the revised cost estimates for the financing of the United Nations Angola Verification M

had already been completed and would shortly be made available. The Advisory Committee had already submitted its recommendations regarding the financing of UNIFIL for the period until 30 June 1996.

15. Mrs. EMERSON (Portugal) noted that the issue of staff representation, which had been deferred from session to session, had not been included under the item on human resources management in the tentative programme of work for the current week. She would welcome information on when the Secretary-General would make available his proposals on what constituted reasonable hours for the release of staff to attend meetings at which issues of staff representation were discussed. That information was essential to permit the Committee to take action on the matter.

16. Mr. ACAKPO-SATCHIVI (Secretary of the Committee) said that the issue of staff representation had been on the Committee's agenda for the previous two years but that no solution had been found to date. It was for the Committee to take a decision and to proceed accordingly.

17. Mrs. EMERSON (Portugal) said that it would be rather difficult for the Committee to take a decision on a matter which was not included in its agenda. The reason for the failure to take action was the unavailability of the information requested from the Secretary-General.

18. The CHAIRMAN said that the Committee would resume its consideration of the matter at a later stage.

19. Mr. GOKHALE (India) noted that the Secretariat's proposals for the reform of the internal justice system had been included under the item on human resources management in the tentative programme of work for the current week. Given the Committee's heavy workload, he wished to propose that the item on the reform of the internal justice system should not be introduced at the current late stage of the session since it was important for the Committee to have enough time to consider the matter carefully before taking a decision. Instead, it should be introduced when the fiftieth session resumed.

AGENDA ITEM 164: NORMALIZATION OF THE SITUATION CONCERNING SOUTH AFRICA (continued)

20. Mr. PIKE (South Africa) said that South Africa agreed to waive any credits it would receive in the amount of $549,606 and $737,142 from budgetary surpluses retained in the regular budget and the peace-keeping special accounts, respectively, for the period 30 September 1974 to 23 June 1994.

21. Mr. MADDENS (Rapporteur) said that during informal consultations, agreement had been reached on the Chairman's draft reply to the letter dated 4 December 1995 from the President of the General Assembly requesting the Committee's technical observations on the implementation of draft resolution A/50/L.44 entitled "Normalization of the situation concerning South Africa".

22. The draft reply contained a number of proposed amendments to draft resolution A/50/L.44. First, the General Assembly would accept South Africa's request not to pay its contributions for the period between 30 September 1974

and 23 June 1994 and would decide that the consequent burden for the Organization should be borne by Member States pursuant to Article 17 of the Charter and the provisions of the resolution. Second, the General Assembly would welcome the statement of South Africa to waive any credits it would receive from budgetary surpluses retained for the aforementioned period. Finally, the General Assembly would decide to reduce the net amount available as credits to Member States and to waive the share of the credits among other Member States on the basis of their respective scales of assessment in order to account for the reduction in outstanding contributions.

23. In accepting that proposal, a number of delegations had sought information on the exact amount of the credit which they would waive. The Secretariat would shortly make available a breakdown of the various amounts in question in the form of an official document.

24. Ms. PEÑA (Mexico) said that her delegation would not object to the sending of the letter on the understanding that the Secretariat would issue an official document containing the breakdown of the amounts waived by each Member State. While her delegation joined in the consensus on the Committee's technical observations, it was awaiting instructions from its Government on the position it should adopt on the Committee's proposed action as a whole.

25. Mr. MONAYAIR (Kuwait) said that his delegation was satisfied with the Committee's technical observations and did not believe that its action would constitute a precedent for the future.

26. The CHAIRMAN said he took it that the Committee wished to endorse the contents of the draft letter to be addressed to the President of the General Assembly.

27. It was so decided.

28. Mr. MUÑOZ (Spain), speaking on behalf of the States members of the European Union, said that the Committee had reached a technically satisfactory solution. The States members of the European Union intended to become sponsors of the amended draft resolution once the proposals contained in the letter to the President of the General Assembly had been incorporated therein.

AGENDA ITEM 116: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1996-1997 (continued)

Revised estimates for the International Seabed Authority for 1996
(A/50/7/Add.6, A/C.5/50/28)

29. Mr. TAKASU (Controller), introducing the report of the Secretary-General on the revised estimates for the International Seabed Authority for 1996 (A/C.5/50/28), said that the General Assembly, in resolution 48/263, had decided to fund the administrative expenses of the International Seabed Authority until the end of the year following the year during which the Agreement relating to the implementation of Part XI of the United Nations Convention on the Law of the Sea entered into force. Since the Agreement had not yet entered into force, the administrative expenses of the Authority in 1996 were still to be met through

the budget of the United Nations. On the basis of the assumptions about the work programme with regard to conference servicing of the Assembly of the Authority, set out in table I of the report (A/C.5/50/28), the full cost of conference servicing in 1996 was estimated at $1,318,900. Those costs would be met from the resources to be appropriated under section 26E of the proposed programme budget for the biennium 1996-1997. The programme budget for 1994-1995 included an appropriation of $776,000 for the initial administrative expenses of the Authority in 1995. In the proposed programme budget for the biennium 1996-1997, the 1994-1995 appropriation had been retained in the resource base for 1996-1997, pending submission of the budget of the Authority to the General Assembly at its fiftieth session. The budget of the Authority for administrative expenses amounted to $1,337,900. Consequently, an additional appropriation of $561,900 would be required under section 33.

30. Mr. Amari (Tunisia), Vice-Chairman, took the Chair.

31. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the seventh report of the Advisory Committee on the revised estimates for the International Seabed Authority for 1996 (A/50/7/Add.6), drew attention to the fact that, as long as the budget of the Authority was to be financed by the regular budget of the United Nations, the approval of the funding must be in accordance with Article 17 of the Charter of the United Nations. According to the Secretary-General, the total budget of the Authority in 1996 amounted to $2,656,800, including $1,337,900 for the secretariat; to cover that amount, he was requesting an additional appropriation of $561,900. The Advisory Committee, however, considered that the number of local staff posts proposed was too high; it therefore recommended instead an additional appropriation under section 33 of the proposed programme budget for 1996-1997 of only $532,200. He reminded the Committee that the amounts involved applied only to 1996. If funding by the United Nations continued into 1997, the fifty-first session of the General Assembly would have to reconsider the matter.

32. Mr. KUZNETSOV (Russian Federation) noted that, since the Authority would merely be continuing the work currently done by the Preparatory Commission for the International Seabed Authority, there was no need for a higher allocation. Any increase in its budget should be reflected in an increase in its functions. A Council and a Secretary-General were supposed to have been appointed, but since that had not taken place all its work had been blocked. The situation was therefore identical to that at the beginning of 1995 and the budget for 1996 should also be identical.

33. His delegation supported the recommendation by the Advisory Committee that the Assembly of the Authority should hold four-week rather than five-week sessions. He urged that the Authority's secretariat should not be allowed to grow automatically and that any duplication of its work with that of the United Nations Secretariat should be eliminated. An analysis of the financial aspects of the report of the Secretary-General (A/C.5/50/28) indicated that many cost estimates were too high. He agreed with the Advisory Committee that the number of local staff should be limited to 14 after 31 May 1996. He also questioned the need for temporary assistance staff or consultants and for the proposed expenditure on equipment. The report of the Secretary-General contained no

realistic prognosis of the future scope of the Authority; the 1996 budget should be no higher than that for 1995.

34. Mrs. ARAGON (Philippines), speaking on behalf of the Group of 77 and China, said she hoped that resolution 48/263, in which the General Assembly had decided to fund the administrative expenses of the Authority until the end of the year following the year during which the Agreement relating to the Implementation of Part XI of the United Nations Convention on the Law of the Sea entered into force, would be implemented. She also requested clarification as to why the estimates did not cover 1997. The 23 posts requested by the Secretary-General, including 17 local posts, were a minimum requirement and she regretted that the Advisory Committee wished to reduce that number by three. The proposals contained in the report of the Secretary-General (A/C.5/50/28) should be adopted.

35. Mr. ATIYANTO (Indonesia) shared the view expressed by the representative of the Philippines, which reflected the long-held position of his delegation. He pointed out that paragraph 4 of document A/C.5/50/28 should have stated that the administrative expenses of the Authority in 1996 were to be met through the regular budget of the United Nations.

36. Mrs. SEALY MONTEITH (Jamaica), speaking on behalf of the States members of the Caribbean Community (CARICOM), noted that the recommendations of the Advisory Committee fell short of the Secretary-General's proposals, which provided for 23 posts for the period after May 1996. That was essentially a skeleton staff, representing the basic minimum with which an organization such as the International Seabed Authority could carry out its initial but vital functions. In the interests of economy, no additional Professional-level posts had been requested and it was anticipated that General Service staff would carry out semi-technical functions. Yet the Advisory Committee recommended that the number of posts should be reduced by three. That was a matter of concern to her delegation, since those posts were important when viewed against the background of the very meagre provisions for Professional posts. She urged that the three posts should be included in the budget.

37. Mr. GRANT (United States of America) said that his country supported the International Seabed Authority, but, where a tight budgetary situation existed, greater restraint was needed. States parties to the Convention on the Law of the Sea should have paid for the preparatory costs. The Preparatory Commission on the Chemical Weapons Convention had kept a strict control of its budget and the Authority should do the same. Its allocation should therefore be $776,000, as originally proposed. That might involve a less ambitious programme of work in administrative services, but savings could be found and any additional funding could be drawn from existing resources. A large staff was unnecessary, since it was clear that several years would be needed to complete the preparatory phase. Financial and staff regulations, for example, were not important until the Authority came into existence. He therefore opposed any increase in the budget. The revised estimates needed to be included as part of the ongoing informal discussions on the regular budget for the biennium 1996-1997.

38. Mr. TOYA (Japan) said that, according to his understanding, it had already been decided that the Assmmbly should hold four-week rather than five-week sessions. There was therefore no need for further discussions on the matter under section 26E.

39. Ms. RODRIGUEZ ABASCAL (Cuba) said that, in his report (A/C.5/50/29) the Secretary-General had put forward balanced proposals which were based on the practical and budgetary needs of the Authority. The criterion to be applied should not be to keep the budget down, but to take account of the Authority's requirements.

40. Mr. TAKASU (Controller) pointed out that it was the General Assembly itself, at its forty-eighth session, which had decided that the expenses of the Authority should be included in the regular budget. Moreover, it was not the Secretary-General of the United Nations who was responsible for the annual budget, but the Secretary-General of the Authority. The Secretary-General had been asked to prepare the budget only because, in August 1995, the General Assembly had been unable to agree on the composition of the Council. As for the appropriations, the $776,000 included in the programme budget for the biennium 1994-1995 applied to the three months up to 31 December 1995. It was therefore unrealistic to consider the same sum for the whole of 1996. Once a Secretary-General of the Authority had been appointed, there would in any case be a reduction in costs for 1996. Until the Council was in place, the General Assembly was committed to funding the Authority's administrative expenses in accordance with resolution 48/263.

41. The CHAIRMAN said that Mr. Abelian (Armenia), Vice-Chairman, would hold informal consultations on the question and would report back to the Committee.

Establishment of the Efficiency Board

42. Mr. CONNOR (Under-Secretary-General for Administration and Management) drew attention to paragraph 97 of the report of the Secretary-General on the work of the Organization (A/50/1) concerning the establishment of the Efficiency Board. The Board was purely advisory, giving the Secretary-General the means to pursue one of his five stated management objectives, namely better management of the Organization's cost structure and an enhanced programme for promoting efficiency and cost-effectiveness (A/50/1, para. 17 (e)). The Secretary-General planned to simplify existing procedures, redefine work programmes, improve productivity and, where possible, substitute lower-cost alternatives. He also aimed to eliminate duplication and overlap in programme delivery and to identify programmes, even mandated programmes, that were of questionable value to Member States. The Board would recommend programmes where it would be possible to attain enhanced efficiency without affecting the delivery of mandated programmes.

43. In reply to specific questions, he said that members of the Board served as individuals and that their names were listed in the Secretary-General's bulletin on the subject (ST/SGB/281). Member States would be informed of any change in the Board's composition. The Secretary-General would provide periodic reports on the Board's work, including information on recommendations with possible

programme implications where implementation depended on the agreement of Member States.

44. The costs involved would be minimal; travel expenses would be paid when members could not combine meetings of the Board with other duties. Those who were not United Nations staff members would also receive a small honorarium, which would be covered from within existing resources. The Board's programme had yet to be finalized. However, its priorities were, inter alia, to find ways of simplifying personnel and financial procedures, to look into outsourcing options in printing and documentation, to consider conference facilities and staffing in administrative areas after the implementation of the Integrated Management Information System, to follow up the cost reductions emanating from the fiftieth session, to review the management of travel, and to identify potential overlaps in the economic and social fields and in peace-keeping. As the project began to come into focus, the Secretariat would encourage Member States to offer assistance, particularly by providing experts in specific fields.

45. Mrs. ARAGON (Philippines) asked whether the statement by the Under-Secretary-General for Administration and Management could be circulated as a Committee document. She would like to know whether the costs which would be incurred by the Efficiency Board were included in the proposed programme budget for the biennium 1996-1997 and, if so, under what section, and what would be the relationship of the Efficiency Board with intergovernmental bodies such as the Fifth Committee with regard to its recommendations.

46. Mr. ODAGA-JALOMAYO (Uganda) said that his delegation maintained its reservations, expressed previously in other forums, regarding the establishment of the Efficiency Board. The Secretary-General had enough resources within his Office to carry out the activities outlined by the Under-Secretary-General. If a board had to be created each time the Secretary-General planned to review activities, the proliferation of boards in itself would affect efficiency. The Under-Secretary-General had mentioned that the Efficiency Board would review even mandated programmes; that would be an infringement of the prerogatives of the intergovernmental bodies that had specific mandates to review programmes and activities.

47. Although the Under-Secretary-General had said that the costs of the Efficiency Board would be minimal, there was no reference to such costs in the proposed programme budget for the biennium 1996-1997. In any event, the Board should be financed with extrabudgetary resources. The Secretary-General's bulletin announcing the establishment of the Board (ST/SGB/281) did not refer to a review of the Secretariat itself; if the Secretary-General was satisfied that the Secretariat was functioning efficiently, then no review should be necessary. There was also a danger of duplication with the work of the Office of Internal Oversight Services, the Board of Auditors, the Joint Inspection Unit and other bodies.

48. The Secretary-General's bulletin also referred to a working group, headed by an Executive Director, reporting and directly accountable to the Chairman of the Efficiency Board (ST/SGB/281, para. 5). He would like to know how the

working group's duties would differ from those of the Board, since the working group would be accountable only to the Chairman.

49. His delegation would not approve any expenditure for the Efficiency Board against the regular budget. It would like to be assured that any review measures the Secretary-General intended to undertake would be approved by the General Assembly before they were implemented, especially when they might have an adverse impact on the activities of the Organization.

50. Notwithstanding the foregoing, he said that the United Nations could not afford to continue to talk about itself; it was time to implement mandated programmes and activities.

51. Mr. GOKHALE (India) said that his delegation would like to see a breakdown of the expenditures envisaged for the Efficiency Board, and to know whether they had implications for the regular budget; whether there would be expenditures additional to travel costs and honoraria; how the salary of the Executive Director would be covered; who would be the appointee; what procedures would be followed in making the appointment; whether it was correct to assume that the person appointed would have staff functions in the Secretariat. The Secretary-General's bulletin stated that the membership of the working group would include selected staff members of the Department of Administration and Management. His delegation would therefore like to have details of the man-hour expenditures involved, as well as the costs, including the costs of publications and conference services.

52. He noted that, although the Efficiency Board was to be an internal advisory board, expert services were being sought from Member States. He recalled that similar expert services had been sought with regard to procurement reforms in the Secretariat, a policy his Government had consistently opposed. His delegation questioned the propriety of looking into mandated programmes and activities with a view to achieving efficiency, and then seeking expert services on a voluntary basis from certain Member States. In that sense, it was not an internal board. He would like clarification as to which Member States had been approached and which had indicated their willingness to provide expert services.

53. He would also like to know how the fact-finding studies mentioned in paragraph 4 (b) of the Secretary-General's bulletin would be financed. There was already sufficient expertise within the Secretariat to carry out such duties. There also seemed to be an overlap between the mandates of the Office of Internal Oversight Services and the Efficiency Board; he would like clarification on that matter.

54. Mr. JU Kuilin (China) said that his delegation still had reservations about the establishment of the Efficiency Board. It was up to the General Assembly to determine, after serious discussions by Member States, which programmes were useful and which were not. It was difficult to determine how to evaluate the performance of programmes. The composition of the Efficiency Board was also an important issue. The experts would come from different countries, and it might be that only a small number of countries, all from a certain group, would actually be represented; their impartiality might therefore be open to questions. In addition, it was important to clarify the relationship between

the Efficiency Board and the Office of Internal Oversight Services, the Administrative Committee on Coordination, the Committee for Programme and Coordination and other intergovernmental bodies.

55. Mr. MARCONDES DE CARVALHO (Brazil) said that, while his delegation recognized that the Secretary-General had the prerogative to undertake a review of the efficiency of the Organization, it did not see that any provision had been made in the proposed programme budget for the funding of the Efficiency Board. He would like to know what the time-frame for the Board would be. It appeared to him that it was going to be a continuing activity within the Secretariat; if so, that should be clearly reflected in the programme budget. With regard to the appointment of an Executive Director, he would like to know where that post was provided for in the programme budget, what selection procedure would be followed in making the appointment, and what the status of the hiring of the Executive Director was. He noted, moreover, that the Secretary-General and the Under-Secretary-General had placed considerable emphasis on substantive programmes, but very little emphasis on common support services. It would appear that the Board's reviews would be geared mostly towards mandated activities, despite the fact that mandates were defined by Member States. His delegation had been told in informal consultations that the Committee would be provided with information on the source of the funding for the Board, but such information had not yet been provided.

56. Ms. RODRIGUEZ ABASCAL (Cuba) said that her delegation shared most of the concerns expressed by previous speakers. The statement by the Under-Secretary-General seemed more like the programme of work of a private corporation than that of an international organization. It was important not to lose sight of the fact that the United Nations was an international organization. The Efficiency Board should not review mandated programmes; that was the prerogative of the Member States. Although her delegation had been told previously that the Efficiency Board would not have budgetary implications, it now appeared that there would be travel costs, yet the proposed programme budget contained no indication of the expenses that would be incurred by the Board. Her Government was also concerned about the duplication of functions with the Office of Internal Oversight Services, the Joint Inspection Unit, the Committee for Programme and Coordination and other bodies. Such a proliferation of structures could run counter to the intention of improving efficiency. Her delegation would also like information regarding the selection procedure to be followed in hiring the Executive Director, as well as the specific expenses involved.

57. Mr. HANSON (Canada) said that his Government supported the establishment of the Efficiency Board and had offered its assistance in the matter. The Secretary-General had acted within his authority and his delegation did not agree with any suggestion - if in fact such a suggestion had been made - that the authority of Member States had somehow been infringed upon.

58. Mr. ELZIMAITY (Egypt) said that his delegation shared the concerns expressed by other speakers. The comments of representatives of developing countries should be taken into account by the Administration. His delegation had many reservations with respect to the creation of the Board. The Under-Secretary-General had mentioned that the Board would review programmes and activities in which there was overlapping, particularly in the economic and

social areas. The Fifth Committee had not determined that there was duplication in those areas, and he therefore wondered how it had been concluded that there was. The issue was not only one of costs; it also involved the prerogatives of the General Assembly. The Under-Secretary-General had said that assistance would be sought from experts from developing countries, particularly on the matter of procurement activities, but Member States had not been able to participate in a just and equitable way in that work. Only countries which had financial resources had been involved. His delegation would like clarification as to the duration of the Efficiency Board, when it would present its first report, and how its reports would be dealt with.

59. Mrs. EMERSON (Portugal) stressed that the issue of the establishment of the Efficiency Board was not a North-South question. It was a question of the Secretary-General exercising his prerogative to seek ways to improve the work of the Organization. While her delegation shared some of the concerns expressed by others, it did not believe that the Secretary-General would be infringing on the authority of Member States. The Secretary-General would submit his recommendations to the General Assembly. It was possible to improve efficiency without affecting mandated programmes. She would like to know which post in the budget would cover the appointment of the Executive Director. With regard to the working group, she recalled that she had recently requested information on 31 working groups involving staff representation, which cost a considerable amount of money and on which the Committee had no information. She was surprised that delegations were not curious about all the other working groups.

60. Her Government was not a member of the Efficiency Board, and had not been approached regarding the appointment of the Executive Director or for voluntary funding; that, however, was not important. What was important was that the Secretary-General was seeking help to accomplish what Member States required, namely, a more efficient Organization, a better use of funds and a review of programmes.

61. Mr. KOUZNETSOV (Russian Federation) said that his delegation endorsed the comments made by the representatives of Canada and Portugal. It saw the establishment of the Efficiency Board in the context of the three-phase reform of the structure of the expenditures of the Organization recommended by the Secretary-General in his report on the work of the Organization (A/50/1). His delegation welcomed that initiative, as well as the efforts to obtain expert assistance and counsel. The pertinent information had been presented to the Advisory Committee (A/50/7, paras. 45-47). The Secretary-General was entitled to seek assistance in carrying out his functions as the chief administrative officer of the Organization. The Efficiency Board's functions would have no additional financial implications, inasmuch as they would be carried out within existing resources. His delegation was mainly concerned with ensuring that, in future, the Secretary-General should adhere to the existing administrative and budgetary procedures of the Organization and report to the General Assembly on the conclusions of the Efficiency Board.

62. Ms. HOLLAND (United Kingdom) said that her delegation supported the comments made by the representatives of Canada, Portugal and the Russian Federation. It welcomed the initiative of the Secretary-General in establishing the Efficiency Board, which would help him to implement the Organization's

mandated activities in the most efficient and effective way possible. It looked forward to receiving the recommendations of the Efficiency Board.

63. Mr. TOYA (Japan) said that, while his delegation supported the purpose of the Efficiency Board, it felt that, in the interests of transparency, Member States should be provided with more information on the potential costs of the Board in such areas as travel and honoraria, the procedures to be used by the Secretariat in soliciting voluntary contributions, and the criteria for the selection of members of the Efficiency Board.

64. Mr. OWADE (Kenya) joined those delegations which had expressed reservations regarding the establishment of the Efficiency Board. His delegation felt that it was important to maintain transparency and to avoid duplication of functions between various United Nations bodies. With regard to the size and composition of the Efficiency Board, his delegation wished to know if the list provided in paragraph 3 of the Secretary-General's bulletin (ST/SGB/281) was exhaustive or merely indicative. It also felt that some of the functions of the Efficiency Board could be performed by other United Nations bodies.

65. Mr. JU Kuilin (China) said that, if the establishment and composition of the Efficiency Board fell within the exclusive authority of the Secretary-General, his delegation would like clarification as to the scope of the Secretary-General's authority. It was his delegation's understanding that the General Assembly was the highest organ of the United Nations, Member States therefore had the right to raise objections to actions taken by the Secretary-General, and to expect the Secretariat and the Secretary-General to consult with them on an equal basis.

66. Mr. DJACTA (Algeria) said that his delegation remained sceptical as to the viability of the Efficiency Board. It therefore supported the comments made by the representative of the Philippines on behalf of the Group of 77 and by the representatives of Uganda, Brazil, India, China, Cuba, Egypt and Kenya.

67. Mr. STEIN (Germany) said that his delegation joined those of Canada, Portugal, the Russian Federation, the United Kingdom and Japan in supporting the establishment of the Efficiency Board. It considered the Board to be an internal management tool the establishment of which fell within the authority of the Secretary-General, and it looked forward to receiving timely reports on the results of the Board's work.

68. Mr. CONNOR (Under-Secretary-General for Administration and Management) assured the members of the Committee that they would receive full reports on the results of the work of the Efficiency Board, and that the primary focus of the Board would indeed be on the personnel and financial operations of the Secretariat. With regard to potential duplication between the mandates of the Board and those of the Joint Inspection Unit or the Office of Internal Oversight Services, he said that the Board would not be in competition with those bodies, but would be able to follow up on the implementation of their recommendations. He estimated that the Board would function for a year or more, with an intense but not perpetual focus on the management process. With regard to the Executive Director of the Board and other staff, he said that he had solicited input from a number of Member States, but that only the United States had responded so far;

letters to other Member States were still in course of preparation. As for the costs involved, he said that the first meeting of the Board had incurred expenses of approximately $800; he did not anticipate any significant variation in that figure for the eight or nine meetings still to be held. Finally, he said that the Board would provide the members of the Committee with reports on a regular basis, but that it would need three or four months to produce the initial report.

69. Mr. GOKHALE (India) said that his delegation wished to receive a detailed breakdown of the expenditures required for the Efficiency Board as projected for the programme budget for the biennium 1996-1997; the breakdown should include information on the number of meetings planned, as well as on projected expenditures for travel, honoraria, publications, the man-hours of Secretariat staff involved, and incidental expenses. As there had been no cash contributions to date, his delegation would have to consider all such Board-related expenditures in the context of the regular budget.

70. He would like to know which delegations had been approached with regard to contributing candidates for the post of Executive Director, especially since he understood that a selection for that post had already been made without his delegation having been approached. In that context, he reminded the Chairman of the doubts expressed by his delegation regarding the way members of the Inter-Agency Working Group on Procurement had been selected; his delegation had never accepted the report on that subject. His delegation was, moreover, still awaiting the report of the Secretary-General on proposals for the improvement of Secretariat procurement activities pursuant to General Assembly resolution 49/216 C.

71. Mr. ODAGA-JALOMAYO (Uganda) said that enough machinery was already in place at the United Nations to find ways of increasing efficiency, and he expressed doubt as to the need to add another body for that purpose. Moreover, he joined the representative of India in requesting information as to which delegations had been approached with regard to contributing candidates for the post of Executive Director; it appeared that some delegations had been informed at different times and that others had not been informed at all.

72. Mr. MARCONDES DE CARVALHO (Brazil) repeated his delegation's request for information on the source of the funding for the Efficiency Board. He would also like to know the amount of expenditure involved and in the budget for which biennium such expenditure would be included. The Under-Secretary-General had himself expressed uncertainty regarding the time-frame projected for the Board. Moreover, like that of India, his delegation had not been approached regarding candidates for the post of Executive Director of the Board. It would therefore like to know what criteria had been used to select delegations for the initial approach.

73. Ms. RODRIGUEZ ABASCAL (Cuba) said that her delegation deeply regretted the selectivity shown by the Secretariat in requesting Member States to submit candidates for the post of Executive Director. She joined the representative of Brazil in asking for an explanation of the criteria used to select some Member States but not others, to the apparent detriment of the equality of all Member States.

74. Mr. DJACTA (Algeria), supported by Mr. ELZIMAITY (Egypt), said that his delegation shared the concern expressed by the representatives of India, Uganda, Brazil and Cuba regarding the apparently selective approach used by the Secretariat in approaching Member States on the matter of the Executive Director.

75. Mr. CONNOR (Under-Secretary-General for Administration and Management) said that the process of approaching Member States on the matter of the Executive Director was still ongoing. He had been particularly anxious to focus on the review of personnel procedures, and had therefore first looked to Member States which had recently undergone such an exercise, such as Australia, New Zealand, Germany and Canada; a number of other States were, however, also being approached. He was unable to state with certainty the time-frame anticipated for the Efficiency Board, but assured the members of the Committee that the Board would function only as long as its work was beneficial to Member States.

76. Mr. GOKHALE (India) reiterated his delegation's request for a breakdown of the expenditures of the Efficiency Board in the context of the Committee's consideration of the proposed programme budget for the biennium 1996-1997. With regard to the question of which delegations had been approached on the subject of the Executive Director, he said that efficiency and effectiveness were not the exclusive prerogatives of certain States or regions.

AGENDA ITEM 138: ADMINISTRATIVE AND BUDGETARY ASPECTS OF THE FINANCING OF THE UNITED NATIONS PEACE-KEEPING OPERATIONS (continued)

(b) RELOCATION OF UKRAINE TO THE GROUP OF MEMBER STATES SET OUT IN PARAGRAPH 3 (c) OF GENERAL ASSEMBLY RESOLUTION 43/232

Draft decision A/C.5/50/L.9

77. Mr. GOUMENNY (Ukraine), introducing draft decision A/C.5/50/L.9, said that it was over two years since his Government had submitted a request to be relocated to the group of Member States set out in paragraph 3 (c) of General Assembly resolution 43/232. However, even though most Member States now recognized that the inclusion of Ukraine in the group set out in paragraph (b) of that resolution was an anomaly, the problem had not been resolved. As a result of its difficult economic situation and its excessively high assessment both for the regular budget and especially, for peace-keeping operations, Ukraine had become one of the largest debtors to the Organization. His Government could no longer accept that situation and his delegation was therefore submitting draft decision A/C.5/50/L.9.

78. His delegation was not satisfied with the organization of the consideration of agenda item 138 (b) proposed by the Bureau. For over two months, his delegation had been unable to have the item taken up by the Committee, and now, for inexplicable reasons, the informal consultations scheduled for that evening from 6.30 to 9.30 p.m. under the tentative programme of work, were to be on agenda item 120 instead of agenda item 138 (b). Agenda item 138 (b) was concerned with an acute political problem, and political action would be required for its solution. In that connection, he was authorized to state that, in the event that the Bureau failed to make satisfactory arrangements for the

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consideration of agenda item 138 (b), his delegation would be unable to join in the consensus on the draft resolutions under other agenda items, including agenda item 116, the proposed programme budget for the biennium 1996-1997.

79. The CHAIRMAN said that the changes in the programme of work had been made for the sake of efficiency, in consultation with the coordinators of the items concerned.

80. After a discussion in which Mr. MARCONDES DE CARVALHO (Brazil), Mr. KELLY (Ireland), Mr. MENKVELD (Netherlands), Mrs. EMERSON (Portugal) and Mr. ODAGA-JALOMAYO (Uganda) took part, the CHAIRMAN said he took it that the Committee wished to revert to the original programme of work for the evening.

81. It was so decided.

The meeting rose at 6.20 p.m.

UNITED NATIONS

General Assembly

FIFTIETH SESSION

Official Records

FIFTH COMMITTEE
40th meeting
held on
Thursday, 14 December 1995
at 3 p.m.
New York

SUMMARY RECORD OF THE 40th MEETING

Chairman: Mr. VILCHEZ ASHER (Nicaragua)

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Funding of regional institutes from the regular budget of the United Nations

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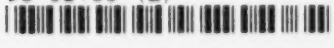

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The meeting was called to order at 3.15 p.m.

AGENDA ITEM 149: REPORT OF THE SECRETARY-GENERAL ON THE ACTIVITIES OF THE OFFICE OF INTERNAL OVERSIGHT SERVICES (continued) (A/49/891, A/49/892; A/50/449, A/50/459 and Add.1, A/50/791 and A/50/959)

1. Mrs. RODRIGUEZ ABASCAL (Cuba) expressed satisfaction with the improvements in the format of the report of the Secretary-General on the activities of the Office of Internal Oversight Services (A/50/459). She welcomed the increase in internal oversight activities observed since the establishment of the Office of Internal Oversight Services (OIOS). That was of great importance since the primary purpose of the office's activities was to ensure the implementation of programmes mandated by Member States and to achieve greater efficiency in their implementation. The General Assembly should decide how the Office's reports were considered by the various intergovernmental bodies, otherwise the whole purpose of the reports would be defeated. The resolution to be adopted on the matter should be based on an in-depth study of the procedure for the submission of those reports.

2. Her delegation fully supported the views expressed by the Under-Secretary-General for Internal Oversight Services concerning the need to strengthen cooperation with programme managers in a climate of trust and mutual support. It was, however, concerned at attempts to promote the establishment of other bodies whose work would clearly overlap with that of the Office, such as the Efficiency Board. The General Assembly had to decide whether to agree to the establishment of that controversial and discriminatory Board and simplify the mandate of OIOS with the corresponding reduction in resources that that would imply. Resolution 48/218 B, which had been adopted by consensus as a result of a compromise among Member States, clearly showed that the mandate of OIOS was strictly limited to internal supervision of the United Nations and its various activities and that it had no bearing on the other organizations of the system. The term "internal" circumscribed the Office's sphere of influence. Furthermore, it was plain from paragraph 11 of resolution 48/218 B that cooperation between OIOS and the operational funds and programmes was to be studied by the executive boards of those funds and programmes. Regrettably, however, a completely distorted interpretation had been given to the provisions of that paragraph. Her delegation intended to ensure that the resolution to be adopted on the item under consideration reflected the decisions previously adopted.

3. The operational independence conferred on OIOS was intended to contribute to its efficiency but in no way did it mean that that independence should be exercised to the detriment of the functions and attributions of other offices. It was surprising and unacceptable that the Secretary-General, in his bulletin ST/SGB/273, should have decided to give OIOS powers of appointment, promotion and termination of staff contracts. She requested a detailed explanation of that anomaly and, in particular, of the reasons leading to the decision. The matter should be the subject of an in-depth discussion during negotiations on a draft resolution on the item under consideration.

4. The Office's oversight priorities should be based not only on the existing situation in the difference spheres of the Organization's work but also on decisions previously adopted by the General Assembly. For that reason, her delegation did not agree, as was implied in paragraph 5 of the introductory note by the Secretary-General, that the determination of the strategic priorities of the Organization fell within the scope of the Secretariat. Decisions of that nature were of a strictly intergovernmental nature and should be recognized as such.

5. Although the comments contained in the report of the Joint Inspection Unit (JIU) on the final reports of OIOS (A/50/459/Add.1) were very useful, it was regrettable that JIU had been unable to follow up on them since it lacked access to the original records. An effort should be made to overcome that procedural obstacle. She appreciated the Unit's need to receive documents early enough to enable it to complete its own reports and supported its recommendation that the General Assembly should consider only those reports that had been commented on by JIU. She also supported the recommendation in paragraph 27 of the JIU comments that the Secretariat should provide the General Assembly with transparent information on the consulting firms it contracted out to and the source of financing for outside experts and consultants.

6. Mr. HANSON (Canada), speaking also on behalf of Australia and New Zealand, welcomed the frank and robust manner in which OIOS was addressing its mandate. Shortcomings were being clearly reported and sound recommendations were being made. The deficiencies and weaknesses in the rules and regulations, a cumbersome personnel system, insufficient management and administrative skills, inadequate horizontal and vertical communication and the tendency to shun accountability and responsibility were important issues that must be given priority consideration by the Secretary-General. The three delegations agreed that the approach should be a systematic and thorough one and should not be aimed at spectacular, short-lived actions. They agreed that the high risk areas of peace-keeping, humanitarian and procurement activities should remain the highest priorities and that more intensive audit coverage was needed in peace-keeping procurement programmes and electronic data-processing. Management audit and consultancy activities would also have to be strengthened. They supported the call for additional resources for OIOS through the reallocation of existing resources.

7. The formal adoption of a set of internal control standards for the United Nations would confirm the support of the senior management for internal controls and its determination to establish an effective internal control structure. The three delegations agreed that the United Nations should adopt generally accepted internal control standards such as those issued by the International Organization of Supreme Audit Institutions and that those standards should be properly applied.

8. The United Nations managers should be aware that the establishment and maintenance of an effective internal control system was a managerial responsibility which could not be left only to the oversight services. Because of the authority they exercised, United Nations managers should be accountable, face criticism and be held responsible for their actions and decisions. He was pleased to note that monitoring and self-evaluation would be an integral part of

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managerial oversight responsibility. It was the responsibility of programme managers to request the generation, on a regular basis, of data and analytical information on implementation and results achieved, including the use of achievement indicators where appropriate. The general guidelines being prepared for the establishment of such managerial oversight functions would be valuable. The same applied to the informal briefings which the Under-Secretary-General for Internal Oversight Services intended to provide on a quarterly basis to the Fifth Committee.

9. The Joint Inspection Unit and the Board of Auditors had an important role to play in the coordination of oversight activities. He expressed the hope that the problems experienced by JIU would be rectified promptly, but did not accept that it was necessary for the Unit to comment on the reports of OIOS before the General Assembly and the Committee considered them. The Officer's reporting relationship to the General Assembly should not, however, be attenuated in any way, nor should its operational autonomy or independence be infringed upon in any manner.

10. The host of financial management deficiencies revealed by OIOS audits of various peace-keeping operations demonstrated the value of such audits in establishing a pool of knowledge to improve the managerial aspects of peace-keeping operations generally. It should always be borne in mind that such operations invariably involved considerable amounts of taxpayers' money. The three delegations agreed with the emphasis on the audit of the start-up phase of peace-keeping operations.

11. The three delegations were concerned about the many deficiencies noted by OIOS in all phases of the procurement process. Such a situation was unacceptable and should be treated as a priority by the Secretariat, given the considerable sums of money involved. OIOS should continue to monitor actively progress in procurement reform. With respect to the investigation of misappropriation and the fraudulent encashment of travellers cheques, the three delegations were pleased to note that the United Nations was determined to pursue court action to punish violators and recover its assets.

12. With respect to savings, the three delegations believed that the General Assembly should be kept fully abreast, on a regular basis, of the cost savings and recoveries resulting from actions of the Office of Internal Oversight Services (para. 17). It would also be helpful if the annual report included an annex listing all reports issued by the Office in the period under review together with their document symbols. Proper internal controls would increase the confidence of Member States in the management of the Organization's operations and he urged managers to make an effort in that direction as soon as possible.

13. The three delegations could not accept the comments that had been made regarding the formation of an Efficiency Board and reserved the right to speak on the subject again at a later date.

14. Mr. DEINEKO (Russian Federation) said that the report on the activities of OIOS (A/50/459) should give Member States no cause for complacency. The establishment of the Office had merely been the first step in the painstaking

process of strengthening financial control, ushering in a new management culture and combating financial irregularities. The Office needed the support of Member States, and his delegation was prepared to cooperate actively with the Secretariat and other delegations to achieve that goal.

15. His delegation welcomed the Office's decision to focus on areas involving a high volume of financial resources where inefficient practices would have the most serious impact. He hoped that, in the future, OIOS would cast its net wider.

16. One area that required attention was the coordination of United Nations programmes and funds (such as the Office of the United Nations High Commissioner for Refugees (UNHCR), the United Nations Development Programme (UNDP) and the United Nations Children's Fund (UNICEF)) in the field of humanitarian and emergency aid with a view to avoiding duplication, increasing the productivity and usefulness of such aid to its recipients, and tightening up distribution procedures. In some cases, aid was not reaching the targeted recipients.

17. His delegation had been particularly impressed by the reports of OIOS on certain regional commissions, the Centre for Human Rights, the United Nations Protection Force project for the hiring of international contractual personnel, and the review of the operations of the Field Administration and Logistics Division. Regrettably, however, recommendations in the United Nations system often remained a dead letter owing to the inertia and resistance of the executive apparatus. The prospect that a similar fate awaited the recommendations of OIOS was unacceptable. He urged the Office to monitor closely the implementation of the recommendations it had made and to report to the General Assembly on compliance therewith. A system of clear-cut and prompt compliance was an extremely important element of the Organization's work culture and his delegation welcomed the initial efforts that OIOS had made to establish appropriate mechanisms to achieve it.

18. In that context, he noted that the imperfections and obsolete nature of the Financial Regulations and Rules were often cited to justify financial violations, and that the report of OIOS alluded to the problem directly. In almost 50 per cent of financial violations, the issue involved failure to comply with existing rules, regulations and instructions. That was unacceptable. The Financial Regulations and Rules should be strictly complied with until such time as they were amended; in any case they were sufficiently flexible to allow for some leeway without the need for violations. His delegation urged the Office to monitor compliance.

19. He noted with satisfaction the savings that had been achieved as a result of the Office's work, but said that they merely represented the tip of the iceberg. Much remained to be done. With regard to outstanding sums which had been earmarked for repayment (as a result of overpayment or fraud), OIOS should take a principled position and ensure that the money was indeed returned. The results of its efforts in that area should appear in its next annual report.

20. His delegation noted that there had been problems regarding internal audit, evaluation and programme monitoring and consultation with programme managers. In order to overcome those problems, it was necessary to develop a constructive

attitude to internal oversight on the part of all the links in programme management, including the Organization's senior management. Common internal oversight standards had a central role to play in that process. The Office needed to intensify its work on the adoption of internal oversight standards which should become a benchmark for appraising existing oversight structures and a guide for the work of all components of the management structure of the United Nations Secretariat. It would then be possible to question programme managers about their compliance with such standards. The Office's proposal that standard management principles should be developed for the implementation of projects deserved close study. Such principles would significantly simplify and regulate the appraisal of projects and the monitoring of their implementation.

21. Mr. ELZIMAITY (Egypt) noted that, during its overview of peace-keeping operations, OIOS had identified serious problems with respect to procurement policy as well as asset and inventory control. He called upon the Field Administration and Logistic Division to address, on an urgent basis, the managerial deficiencies identified by the Office in order to ensure support for peace-keeping operations.

22. In order to understand more clearly the modalities of the Office's operations, his delegation would appreciate receiving sufficient information on the criteria used to distinguish between problems which required an "inspection" and those which required an "investigation". It wished to know more about the conceptual approach and methods of work for both cases.

23. He also sought clarification on the aspect of the Office's work relating to management improvement and on the idea of formulating a set of internal control standards as a means of raising managerial support for system-wide controls and providing a benchmark for evaluating those already in place.

24. His delegation wished to express serious concern over the establishment by OIOS of an appointment and promotion panel of its own. In its view, such a panel would not fall under the heading of "operational independence" as specified in resolution 48/218 B. Its concern stemmed from the fact that there was no clear "equitable geographical distribution" at the senior level in OIOS. The practice is selecting staff on a different basis from that used for the selection of other staff members should be terminated.

25. With respect to the format of the report of OIOS, he said it was inappropriate to try to attract the reader's eye by filling the report with headlines. The reports of OIOS were meant to be read in their entirety. The reader should be allowed to decide for himself on the issues and no attempt should be made to influence him with headlines that were more appropriate for the media. Since OIOS was an integral part of the Secretariat, it should make a positive contribution to the improvement of the public image of the United Nations. He hoped that in future reports the programme managers concerned would be given sufficient time to comment on the Office's specific recommendations so that the General Assembly would be presented with reports that not only identified areas where there were deficiencies but also included assurances that the corrective measures recommended by OIOS would be implemented by the programme managers.

26. Mr. PASCHKE (Under-Secretary-General for Internal Oversight Services) said that the keen interest paid by Member States to internal oversight in the United Nations was the best leverage they could provide to the Office to improve acceptance of its recommendations throughout the Organization. He stressed that the Office could only make recommendations; the actual changes had to be executed by the competent department heads and unit chiefs, who would be more inclined to carry out those recommendations if they were conscious of the attention of Member States.

27. In response to a comment made by the representative of Norway and an observation made by the representative of Spain speaking on behalf of the European Union, he said he agreed that no amount of mismanagement or fraudulent activity could ever be justified or tolerated. With respect to waste and inefficiency, much more could and must be done in the Organization and OIOS considered its main task to be that of ferreting out waste and inefficiency.

28. Responding to a question put by the representative of Spain, again speaking on behalf of the European Union, he said that the Evaluation Unit of OIOS would review implementation as part of the Office's compliance review. Furthermore, a report on the prototype of budgeting for peace-keeping (A/50/319) had recently been submitted to the Advisory Committee on Administrative and Budgetary Questions (ACABQ) and would be reviewed by it in due course. With respect to the recommendations of the High-level Group on Procurement and the current situation of the revised manuals of the operation proceedings for logistics and procurement, he said he had been advised by the Department of Administration and Management that the Assistant Secretary-General for Conference and Support Services would brief the Committee when he presented his report on the implementation of procurement reform under agenda item 117 and that he would be prepared to answer all pertinent questions.

29. With respect to the Office's role in changing the management culture of the United Nations - a question which had been raised by the representative of Japan, he said he believed that it had already made a number of significant changes after only one year. He was happy to report that the Department of Peace-keeping Operations had recently created a Lessons Learned Unit as a direct result of the recommendations in two evaluation reports prepared by OIOS. That a Unit had begun to collect existing documentation and to commission assessments of completed missions. A review of its work and of the fundamental work that still remained to be done would appear in a report to be submitted to the Committee for Programme and Coordination (CPC) at its next session.

30. He also hoped to promote a more demand-driven approach to management in the economic and social sectors and to increase diversity in the forms of United Nations products with less emphasis on general studies and more on services from United Nations databases tailored to the needs of individual countries and other users. CPC had endorsed all the recommendations of OIOS and had recorded its appreciation of the evaluation.

31. Changes in management culture would have to be achieved gradually. One step would be to the establishment of clear guidelines restricting the use of official United Nations aircraft for unofficial "rest" purposes. The Department of Peace-keeping Operations had been responsive to the Office's audit

recommendations and had shown determined efforts to bring about a change in management culture which would have a considerable impact on the reputation of the Organization and its management.

32. The newly established Management Consulting Section, which was expected to be fully staffed and operational by early 1996, would help to streamline procedures and enhance the efficiency and effectiveness of operations. It was the responsibility of managers, however, to develop internal control systems aimed at ensuring that programme objectives were met, regulations were observed, resources were adequately safeguarded and efficiently utilized, and reliable data were maintained. Audits had shown that there was widespread failure to adhere to control standards in the areas of documentation and recording, separation of duties and responsibilities, and access to and accountability for resources. Some managers still believed that the documentation of decisions and transactions was a bureaucratic requirement which only impeded lean and flexible management. There were still mission chiefs who authorized their own travel, and staff members who had unauthorized access to assets or information. A formal set of internal control standards would raise awareness among United Nations managers of the basic principles of sound management, thereby strengthening the system of accountability.

33. Responding to the statement made by the representative of the United States of America, he noted that OIOS auditors were never satisfied with identifying losses and initiating action aimed at their recovery. Their aim was to identify the systemic weaknesses that allowed the losses to be incurred in the first place and to make recommendations for improving the system in order to preclude further losses. Whenever OIOS felt that losses were due to the violation of regulations and rules or to negligence on the part of the officials involved, it urged management to initiate disciplinary action and to seek the recovery of the funds from the individuals responsible. A system to monitor the actions taken by the Administration had also been established by OIOS.

34. He was encouraged by the work that was being done to restructure the Centre for Human Rights and by the new spirit that was evident among the Centre's management and staff. OIOS would continue to monitor the results of the reform measures that were under way.

35. Responding to the question put by the representative of Cuba concerning the relationship between the work of OIOS and that of funds and programmes which were administered separately, he said that a report would shortly be issued which would review the existing situation and make recommendations for improving that relationship.

36. He welcomed the useful suggestion by the representative of Canada that the next annual report of OIOS should include a list of all the reports issued by the Office during the reporting period. Replying to the representative of Egypt, he said that an inspection was a short-term review of the situation in any given unit of the Organization aimed at identifying management weaknesses and making appropriate recommendations for correcting them, while an investigation was aimed at identifying situations in which regulations and rules of the Organization had been violated. As for the use of the headlines technique in the report of OIOS, he said it had been used to good effect in

United Nations sales publications and was intended to provide summaries and to highlight key ideas in the text. OIOS would, however, take the views and suggestions of all delegations into account in preparing its next report.

AGENDA ITEM 159: HUMAN RESOURCES MANAGEMENT (A/C.5/49/13, A/C.5/49/60 and Add.1 and Add.2 and Add.2/Corr.1; A/50/7/Add.8, A/50/540; A/C.5/50/2 and Add.1, A/C.5/50/3, A/C.5/50/32; A/C.5/50/L.2)

37. Mr. CONNOR (Under-Secretary-General for Administration and Management), introducing the report of the Secretary-General on the reform of the internal system of justice in the United Nations Secretariat (A/C.5/50/2 and Add.1), said that the existing system of administration of justice for staff grievances, appeals and disciplinary procedures was ponderous and complex, painfully slow in settling cases and quite expensive in terms of staff resources and time consumed. The system, which had been established many years earlier for a few thousand staff members and only a few cases a year, currently covered some 14,800 staff members and had a much heavier workload.

38. The new system being proposed by the Secretary-General would seek more informal resolution of disputes, more professional and expeditious appeal and disciplinary machinery, and a much simpler and more cost-effective justice system overall. The cornerstone of the proposed reform was the professionalization of the legal process in which arbitrators would replace volunteers on the Joint Appeals Board. The Chairpersons of the proposed Arbitration Board, who would be highly experienced professionals, would also preside over the new Disciplinary Board panels. If properly implemented, professionalization would be the key to the achievement of the just, transparent, simple, impartial and efficient system of internal justice called for by the General Assembly.

39. In its report on the reform of the internal system of justice (A/50/7/Add.8), the Advisory Committee on Administrative and Budgetary Questions (ACABQ) endorsed a number of measures designed to reinforce the main reform, namely the professionalization of the system. However, it recommended that more work should be done before the creation of an Arbitration Board was further considered by the General Assembly (para. 31). That, in effect, would postpone the very core of the reform until some undetermined time in the future, a delay which the Secretary-General wished to avoid. The parts of the reform endorsed by the Advisory Committee included additional training, the creation of a post of Coordinator for the new ombudsman panels, and the creation of new posts for the administrative review function and for the Panel of Counsel.

40. All of those proposals, however, were only parts of an integrated whole programme aimed at enhancing the professionalism of the justice system. A partial approach could only be marginally effective, since none of the partial measures addressed the root cause of the problem, namely, the volunteer nature of the current justice system. The number and complexity of the cases were such that volunteers were no longer available in sufficient numbers and those who were available might not possess the required technical knowledge. The current system was slow, inefficient, extremely costly, and did not produce advice which the Secretary-General could accept without an independent, in-depth and costly analysis of the facts of the case. As a result, many recommendations were

rejected. While the Joint Appeals Board had been performing commendably over the years, despite those weaknesses, the system was currently unable to function in a manner compatible with good administration and accountability. The substantial expenditure required by the piecemeal reform recommended by the Advisory Committee would hardly be justified at a time of severe financial crisis. Moreover, the results of such a reluctant reform could only be marginal, since the system would be neither professionalized nor made more efficient. An enormous amount of work had already been done in elaborating the reform proposed by the Secretary-General and any refinement that might be necessary could be made as the process unfolded. There was no need to delay; it was time to take meaningful steps towards change.

41. After first expressing support for the reforms, the staff had withdrawn their support on the grounds that the reforms did not go far enough or omitted features that the staff would have liked. The Administration would fully honour its agreement that the staff would play an active role in the selection process for the arbitrators and for the Coordinator of the ombudsman panels, in keeping with Article VIII of the Staff Regulations.

42. The deletion of article 11 of the Statute of the Tribunal had not been part of the Secretary-General's reform proposal but had been recommended to the General Assembly by the Sixth Committee as a result of the initiative of a number of Member States. If article 11 was deleted, the Tribunal would become the final instance of appeal: that should serve as an added incentive for staff to cooperate with the Administration in establishing a fair, efficient and professional system.

43. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee on the reform of the internal system of justice in the United Nations Secretariat (A/50/7/Add.8), said that the Advisory Committee welcomed the Secretary-General's proposals aimed at enhancing earlier reconciliation and resolution of disputes before they developed into formal litigation and recommended approval of the resources requested for their implementation.

44. With regard to the most radical and controversial of the Secretary-General's proposal, namely that the Joint Appeals Board (JAB) and the Joint Disciplinary Committee (JDC) should be replaced by an Arbitration Board and a Disciplinary Board respectively, he said that numerous concerns had been raised about the proposed changes by the staff, the Administrative Tribunal and the Advisory Committee. After careful consideration, the Advisory Committee had concluded that the time was not yet ripe to implement the proposed changes and that more work should be done before the creation of an Arbitration Board was further considered by the General Assembly. The Advisory Committee further believed that the fostering of conciliation and the early resolution of disputes, the strengthening of the Administrative Review Unit and the Panel of Counsel, and the simplification/rationalization of existing administrative and personnel practices should address in a positive way the problems and shortcomings that currently existed. After a reasonable period of implementation, the effect of those changes should be evaluated with a view to determining what further measures might be necessary.

45. Ms. KING (Deputy to the Assistant Secretary-General for Human Resources Management) introduced the reports of the Secretary-General on the composition of the Secretariat (A/50/540), the list of staff of the United Nations Secretariat (A/C.5/50/L.2), amendments to the Staff Rules (A/C.5/50/32), and respect for the privileges and immunities of officials of the United Nations and the specialized agencies and related organizations (A/C.5/50/3).

46. The report on the composition of the Secretariat (A/50/540) was intended to facilitate an assessment of the distribution of Secretariat staff by nationality, gender, grade and type of appointment, in the light of the principles set forth in the Charter and the guidelines contained in various General Assembly resolutions.

47. The annual list of staff of the United Nations Secretariat (A/C.5/50/L.2) showed the composition of the Secretariat as of 30 June 1995. The list had been compiled on the basis of information contained in the Integrated Management Information System and the computerized personnel master file. It contained the names of only those staff members who, on 30 June 1995, held appointments of one year or more or who, as of that date, had completed at least one year of continuous service. The list was organized by department and office, by nationality and in alphabetical order.

48. Those two reports revealed much about the profile of the Secretariat staff. The number of unrepresented States had been reduced from 28 to 25 and the number of States within range had been increased from 111 to 116. In the area of recruitment, of the 135 appointments made, 40 per cent had been candidates from developing countries and 45 per cent had been women. In order to reduce the number of unrepresented and underrepresented Member States, national competitive examinations had been held in 19 of those States during 1995. Appointments to posts subject to geographical distribution during the reporting period included 54 candidates from the P-2/P-3 national competitive examinations, representing 40 per cent of all such appointments. Significant improvements had also been made in the levels of representation of women in the Secretariat, both in posts subject to geographical distribution and in posts at the D-1 level and above. The report of the Secretary-General on the improvement of the status of women in the Secretariat (A/50/691) contained additional information on activities undertaken during the previous year to improve the status of women in the Secretariat.

49. The Secretary-General's report on amendments to the staff rules (A/C.5/50/32) concerned the 100 and 200 series of the Staff Rules. All of the amendments to the 100 series had been made to implement prior decisions of the General Assembly. With regard to expatriate benefits, the General Assembly had decided, in resolution 49/241, that expatriate benefits should be limited to staff who both worked and resided in a country other than their home country. Staff rules 103.20 on the education grant and 105.3 on home leave were accordingly amended. No action had been necessary on the repatriation grant, which was governed by Annex IV to the Staff Regulations. That Annex had been amended by the Assembly itself in resolution 49/241.

50. Staff rule 103.20 on the education grant had been amended to reflect the decision of the General Assembly in resolution 49/223, which approved the

recommendations of the International Civil Service Commission for various ceilings applicable to education grant claims, depending on the currency area in which the educational expenses had been incurred.

51. A new staff rule 104.15 provided that candidates successful in competitive examinations administered in accordance with General Assembly resolutions 33/143, 35/210, and 49/222 A (I), were appointed at the P-1, P-2 and P-3 levels, or promoted from the General Service and related categories to the Professional category on the recommendation of Boards of Examiners. A consequent change had been made to staff rule 104.14 to clarify that the appointment or promotion of candidates successful in the competitive examinations administered in accordance with General Assembly resolutions did not require further review by the Appointment and Promotion Board.

52. Finally, staff rule 112.6 had been amended in compliance with General Assembly resolution 49/222 A (I), in which the Secretary-General had been requested to apply the new Performance Appraisal System to all staff, including at the Under-Secretary-General level.

53. The amendments to the 200 series, which introduced into that series the same changes as those made in the 100 series, were outlined in paragraphs 11 to 15 of the report (A/C.5/50/32).

54. She drew the Committee's attention to the two reports of the Secretary-General on the costs of staff representation activities (A/C.5/49/63 and 64), which had been introduced by the Assistant Secretary-General for Human Resources Management at the previous session, on 30 June 1995. The Assistant Secretary-General had briefed the Committee on the considerable agreement reached between staff and management on the definition of "reasonable time" for staff representational activities. She understood that Member States wished to review those reports and she reiterated the readiness of the Office of Human Resources Management to respond to any further queries members might have.

55. With regard to the note by the Secretary-General on the question of respect for the privileges and immunities of officials of the United Nations and the specialized agencies and related organizations (A/C.5/50/3), she said that it highlighted cases of abuse of such privileges and immunities between 1 July 1994 and 30 June 1995. All cases involving the death of a staff member that had occurred up to 9 October 1995 had, however, been reported. The primary responsibility for the security and protection of staff members and their dependants rested with host Governments. The ability of staff members to perform their functions in favourable conditions was a crucial factor in the success of the Organization. Yet, despite all efforts to ensure their safety and security, 18 fatalities had occurred amongst the staff since 1 July 1994. The last four had taken place since the note had appeared: they were those of Mr. Francisco Lima (Angola), a UNICEF staff member who had been shot in Luanda on 25 July 1995; Mr. John Adeyemi (Nigeria), a UNICEF staff member who had been shot in Lagos on 10 November 1995; Mr. William Jefferson (United States), a staff member of the United Nations Population Fund (UNFPA) who had been shot in Tuzla, Bosnia and Herzegovina; and Mr. Ahmed Abdilkadir Tawane (Somalia), a UNICEF staff member who had been shot near Mogadishu on 22 November 1995. Regrettably, none of the assailants involved in those cases had been identified

or brought to justice. Annex II provided a consolidated list of staff members who were still under arrest, in detention or missing as of 30 June 1995. Such cases were a matter of great concern. The situation of national staff belonging to United Nations organizations in Rwanda was particularly precarious. In conclusion, she emphasized that respect for the privileges and immunities of officials was one of the paramount conditions guaranteeing the effective exercise of the responsibilities entrusted by Member States to the organizations of the United Nations system.

56. Mr. KAFOOD (Qatar) stressed the importance of human resources management to the attainment of the noble objectives of the Charter of the United Nations. He welcomed efforts by the Secretariat to improve the mechanisms involved, which he was sure would be fruitful. His delegation attached particular importance to the need to guarantee the safety and security of staff members, particularly those in dangerous posts. It was also essential to respect the balance between men and women in the composition of the Secretariat and to ensure that underrepresented States were properly represented. He noted that about 25 States were unrepresented and another 25 or so, including his own, were underrepresented, while other States were either within range or overrepresented. The problem needed to be addressed. There were also not enough nationals of developing countries in senior or policy-making posts. Equitable geographical representation was in the interests of all Member States, but particularly of the underrepresented States. In that context, he said he was in favour of competitive examinations to give nationals from underrepresented countries access to senior posts.

57. The CHAIRMAN suggested that, because of the lack of time, the Committee should defer consideration of the item until the Committee resumed its work the following spring, pending consideration by the Sixth Committee of the legal implications of the Secretary-General's proposal regarding the reform of the internal system of justice.

58. Mrs. GRAHAM (United States), supported by Mr. MUÑOZ (Spain), speaking on behalf of the European Union, expressed concern over that suggestion.

59. The CHAIRMAN said that the item should be deferred because the Sixth Committee had concluded its work for the current session. A general discussion on the issue would continue at the next meeting of the Fifth Committee and informal consultations would also take place. Discussion of the content, however, should be left until the spring.

60. Mrs. RODRIGUEZ ABASCAL (Cuba) welcomed the fact that consultations would continue, but stressed that the issue should be discussed in the Sixth Committee.

61. Mr. TEIRLINCK (Belgium) pointed out that little time was left and it might not be possible to have informal consultations on every issue. The Committee should therefore confine itself to items on which real progress could be achieved.

62. Mr. GODA (Japan) said that his delegation supported the purposes of the proposed reform of the internal system of justice, as outlined in paragraph 6 of

the report of the Secretary-General (A/C.5/50/2). He regretted that, according to its report (A/50/7/Add.8), the Advisory Committee had not concluded its review.

63. With regard to the Staff Rules, his delegation welcomed the amendment that made it clear that competitive examination was the only means by which appointments to posts at the P-1 and P-2 levels could be made and was the normal basis for appointment to P-3 posts. His Government strongly supported the holding of national competitive examinations. In that connection, the decision by the Secretary-General to suspend the granting of permanent and probationary appointments was not acceptable to his Government, since it was a retroactive cancellation of the entitlements of current personnel and of those who had passed the national competitive examination. He deeply regretted that the Assistant Secretary-General for Human Resources Management continued to underestimate the concern felt regarding that issue by Member States, including Japan. His delegation had not requested a "compromise", but a rescindment of the decision.

64. With reference to the announcement regarding applications by staff members to take the national competitive examination (ST/IC/1995/80), he understood that the total number of posts to be selected through the G to P examination amounted to 30 per cent of the number of vacancies at the P-2 level; it would like confirmation that the number of staff members promoted to the Professional category from other categories was included in that percentage. It also wished to clarify the legislative basis for the G to P-3 examination and its influence on external appointments at the P-3 level and promotions from the P-2 level.

65. Ms. ALMAO (New Zealand) and Mr. SHIN (Republic of Korea) expressed support for the points made by the representative of Japan regarding examinations and the granting of permanent and probationary appointments.

66. Mrs. EMERSON (Portugal) regretted that documents A/C.5/49/63 and 64, which the Assistant Secretary-General for Human Resources Management had introduced during the previous session, had been issued so late that the Committee had been unable to comment on them adequately at the time. She had been informed privately that the Staff-Management Coordination Committee (SMCC) had reached agreement on the definition of "reasonable time"; such information should not be kept secret.

67. The CHAIRMAN invited the President of the United Nations Staff Committee (Headquarters) to make a statement to the Committee.

68. Mr. OUMMIH (President, United Nations Staff Committee (Headquarters)), speaking on behalf of the staff of the United Nations Secretariat, amounting to more than 30,000 serving around the world, said that he was humbled by the enormous complexity of the issues. He hoped that the Committee would continue to keep an open mind on the various personnel questions submitted for its consideration and that it would take into account the views of the staff.

69. One of the most important items before the Committee pertained to the introduction of a revised internal system of justice (A/C.5/50/2 and Add.1). The staff were much in favour of an open and impartial system that protected

both them and the Organization against abuse. It supported the system of justice put forward in documents A/C.5/49/60 and Add.2 and the agreement reached at the Staff-Management Coordination Committee (SMCC) in June 1995. It could not, however, support the report of the Secretary-General in document A/C.5/50/2, from which due process and equity had been deleted. It was unclear why the changes had been made and by whom. The following changes were a matter of concern. First, a detailed process for the joint selection of the Ombudsman Coordinator and the Chairperson, Alternate Chairperson and members of the Arbitration Board, which had been agreed to by staff and management, had been deleted. That was a denial not only of due process, but of the very definition of arbitration, namely that both parties should agree. Second, agreement had been reached specifically for the "strengthening" of the Office of the Coordinator of the Panel of Counsel by the addition of one Legal Officer and one assistant. Third, although the Administration had agreed not to seek any changes pertaining to the Tribunal until 1997, it had proposed the deletion of article 11 of the Tribunal's Statute, thus depriving staff members of access to the International Court of Justice. Although symbolic, that second level of jurisdiction had provided a safeguard against errors and abuses by the Tribunal. That refuge would disappear, leaving the Tribunal as the sole jurisdiction, by contrast with other United Nations tribunals and those of other international organizations.

70. The other crucial personnel issue was the planned introduction of a new Performance Appraisal System. The agreement reached at the latest meeting of SMCC had been altered a posteriori by the Administration with regard to the composition and selection of the Management Review Committee and its role in individual ratings under the system; the fate of the recommendations of rebuttal panels; the right to appeal against the outcome of a rebuttal panel, if it should violate due process and/or contain any extraneous factor when assessing rebutted ratings and/or statements on the performance of a staff member; and the frequency of the Performance Appraisal System. Staff representatives worldwide had supported the system that had been agreed upon because it contained checks and balances. Following the unilateral changes that had been made, they could no longer support it since it was to be supervised by a body extraneous to their daily work, the Management Review Committee. It had therefore requested the Secretary-General's authorization to file an action before the Administrative Tribunal regarding what it considered to be violations of the agreements reached in good faith at the latest meeting of SMCC.

71. In his statement the previous year, he had expressed great enthusiasm about the new administration and management team. Since then, relations between staff and management had, regrettably, become very difficult, to the point where the staff had been obliged to suspend formal consultations with the Administration since 26 September 1995. The consultation process had been tentatively resumed over the past month, although it was still fragile. In accordance with rule 108.1 of the Staff Rules, staff representatives had to be provided with access to the information they needed - including staffing tables - to fulfil their mandate. They should not be transferred forcibly, reprimanded or left without a post when they did not please the head of their department. The role of staff representatives should be reaffirmed as an official function, not undermined by pressure. They should not be treated as an obstacle by the "new management culture". The staff strove for the efficient running of the

Organization and did not seek co-management; nor did they receive instructions from the outside. The staff would always seek the guidance of the Secretary-General in his role as guardian of the Charter of the United Nations and of the Staff Rules and Regulations and as the Chief Administrative Officer of the Organization. The United Nations could not be run as a commercial corporation governed by the dollar, nor was it an assembly line. The staff representative bodies were an integral part of the Staff Rules and Regulations and should be afforded the facilities to perform their functions. The release agreement for the only post that the Coordinating Committee of International Staff Unions and Associations (CCISUA) should therefore not be withdrawn.

72. With regard to the security and independence of the staff, he said that only three Member States had ratified the Convention on the Safety of United Nations and Associated Personnel, which had been adopted by the General Assembly in December 1994, and only 22 had signed it. In view of its importance for the legal protection of United Nations staff members and associated personnel, he urged States to ratify it so that it would become international law. To date, the United Nations had established war insurance coverage for 55 countries. He requested that the coverage should be extended to apply equally to national and international staff, providing 24-hour coverage for all staff members.

73. The staff had long been calling the attention of the Administration to the need to end "back-door" recruitment for contracts of 11 months; such contracts were costly to the Organization, both financially and in terms of efficiency, and had a negative impact on the career development of staff. Hundreds of staff had been recruited without going through the appointment and promotion bodies, with all the abuses that that implied. Furthermore, it was depressing that, while staff were threatened with loss of jobs, retirees had their contracts extended on mission. Immediate action by the Administration was required.

74. With regard to the decentralization of authority, he said that, although it could be effective in conjunction with genuine accountability, there were inherent dangers when excessive authority was given for personnel policy matters. Chief administrative officers of missions, heads of offices away from Headquarters and even individual heads of department and executive officers sometimes interpreted the Staff Rules and Regulations to suit their own needs or to create new personnel policies outside the normal process. All aspects of policy and the granting of exceptions should remain the responsibility of the central management alone.

75. A matter of similar concern was the lack of accountability among managers, which had led to staff demoralization. Both financial and administrative accountability should be enforced and should apply to all staff, including senior officials. It was unreasonable that the staff at large should continue to be held to stricter standards than high-level officials.

76. The staff of the United Nations Secretariat implemented the programmes which the Member States approved. As the staff had a vital interest in an efficient Secretariat, they were concerned that such measures as cuts in specific programmes, the abolition of redundant programmes or departments and the elimination of duplication should be based on a sound managerial analysis and not be the product of political expediency. A reduction in staff numbers

should be the ultimate recourse, envisaged only when all other possibilities of economizing had been exhausted. A recruitment freeze - which the staff had long suggested - was currently in force and the time was therefore appropriate to retrain and redeploy staff in areas affected by cuts. Attrition, agreed terminations and redeployment should be used to the fullest extent possible. Many staff members occupying posts that were to be abolished had not only served the Organization loyally for many years, but also constituted an invaluable human resource that should not be lightly forgone. At the same time, the staff wished to cooperate in the restructuring process and would approach the task as seriously as they had done in a similar retrenchment exercise in 1988-1989.

77. It was imperative that Member States should fulfil their financial obligations towards the Organization so that the Secretary-General could deal with the unprecedented challenges facing the United Nations. There was, however, a need for transparency as to the measures being contemplated or implemented by the Administration to deal with the financial crisis. Instead of eliminating waste and mismanagement, the Administration resorted to petty austerity measures which he believed were counterproductive. It was no solution to suspend the granting of career appointments or to change the schedule for the payment of salaries. Many staff members worked overtime without compensation or were required to meet additional demands made on them, even in the face of physical danger, yet they were made to bear the brunt of the financial crisis. Staff morale was at its lowest point. Many staff members found themselves in situations of unnecessary stress and anxiety about their role and the future of the Organization. That was clearly not what the Member States wanted. The current trend of unfair management practices and an incorrect focus on eroding the rights and conditions of service of the staff reflected a lack of vision and an inability to introduce the reforms which were really necessary.

78. The situation of staff in the General Service and related categories had deteriorated over the years. In addition to suffering the abuses of bad managers, some staff members were required to do more than was covered by their job descriptions, others worked overtime without compensation, while yet others had gone without promotion for 10, 15 or even 20 years. They deserved better; they deserved equal treatment because they were as professional as any other staff member in what they did.

79. The financial crisis and the other problems that he had outlined, added to a defamatory press campaign against the Organization and its staff, had led to extraordinary meetings of the staff in New York and elsewhere, and a protest rally in Geneva. The future was unpredictable, but the United Nations had to find a way to deal with the crisis. The staff were the lifeblood of the Organization and were ready to help to find solutions.

AGENDA ITEM 166: ADMISSION OF THE WORLD TOURISM ORGANIZATION TO MEMBERSHIP IN THE UNITED NATIONS JOINT STAFF PENSION FUND (A/C.5/50/34)

80. Mr. GIERI (Secretary of the United Nations Joint Staff Pension Fund) said that article 3 of the Regulations of the United Nations Joint Staff Pension Fund stipulated that membership in the Fund was open to any "international, intergovernmental organization that participates in the common system of salaries, allowances and other conditions of service of the United Nations and

the specialized agencies". The World Trade Organization (WTO) was such an organization and its staff rules would conform to the common system as a result of amendments that would come into force when WTO membership in the Fund commenced.

81. In 1987/88 the United Nations Joint Staff Pension Board had recommended the admission of WTO to the Fund, and the Fifth Committee had then recommended that the General Assembly should decide in favour of its admission. However, before the matter could be presented to the General Assembly, the Executive Council of WTO had decided to withdraw the application owing to differences among the staff.

82. After considering various options since then, the Executive Council of WTO had decided in May 1995 to recommend to the General Assembly of WTO that the organization should renew its application for membership in the Fund. The Secretary-General of WTO had therefore asked the Standing Committee of the Pension Board to consider the matter at its meeting in July 1995.

83. The Standing Committee had decided that, should the item be included in the agenda of the United Nations General Assembly, the Secretary should consult the staff pension committees of all the Fund's member organizations to obtain their support for the admission of WTO into the Fund, subject to the organization having made the necessary amendments to its Staff Regulations and Rules to conform to the common system. All members of the Pension Board had been consulted.

84. The application of WTO for membership in the Fund had been supported by the States members of WTO, by its administration and staff members, and by the Pension Board. He trusted that the Fifth Committee would refer the matter to the General Assembly for a final decision. If the application was approved, the membership of WTO in the Fund would be effective from 1 January 1996.

85. The CHAIRMAN suggested that the Committee should recommend to the General Assembly that it should decide to admit the World Tourism Organization to membership in the United Nations Joint Staff Pension Fund, in accordance with article 3 of the Regulations of the Fund, with effect from 1 January 1996.

86. It was so decided.

AGENDA ITEM 115: PROGRAMME BUDGET FOR THE BIENNIUM 1994-1995 (continued)

87. Mr. THORNE (United Kingdom) said that his delegation had been generally concerned by the extent of Secretariat borrowing from the peace-keeping budget to fund the regular budget. He believed that the legal basis for such borrowing was contained in a General Assembly resolution entitled "Working Capital Fund" and he requested the Secretariat to provide Committee members with a copy of that resolution at the earliest possible opportunity so that they could consider its contents in the context of internal borrowing.

88. Mr. TAKASU (Controller) said that advance copies of the Working Capital Fund resolution would be made available to members of the Fifth Committee.

Revised estimates under section 3. Peace-keeping operations and special missions; section 32. Staff assessment; and income section 1. Income from staff assessment (A/50/7/Add.4; A/C.5/50/27)

89. Mr. TAKASU (Controller) said that, in its resolution 1013 (1995), the Security Council had requested the Secretary-General to establish, as a matter of urgency, an International Commission of Inquiry to collect information and investigate reports relating to the sale or supply of arms and related matériel to former Rwandan government forces. As recommended by the Security Council, the Commission would be composed of six impartial and internationally respected persons, including legal, military and police experts. The Chairman of the Commission would be a United Nations staff member, appointed by the Secretary-General at the D-2 level. The other five members would be made available by Governments, on a non-reimbursable basis, to carry out the activities requested by the Security Council. Their salaries would be paid by the respective Governments concerned. Travel costs and the subsistence allowance in the area of operation would be borne by the United Nations. The Commission would be supported by one Military Observer, eight international staff (one P-4, two P-3, one P-2, one General Service and three Security Officers) and six Local Level Staff.

90. The Commission's financial requirements for 1995 had been estimated at $419,200, which had been included in the budget for the current biennium. The portion for 1996, for the four-month period from 1 January to 30 April 1996, amounted to $742,800. Additional appropriations had been requested amounting to $688,600 under section 3 and an additional $54,200 under section 32, which would be offset by the same amount in income section 1.

91. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) drew the Committee's attention to paragraph 15 of the Advisory Committee's report (A/50/7/Add.4), which stated that the Secretary-General had indicated that the activities relating to the Commission were of an extraordinary nature and should be dealt with outside the procedures relating to the contingency fund, as provided for in paragraph 11 of annex I to General Assembly resolution 41/213. In that connection, the Advisory Committee recommended that the expenditures for the period from 1 November to 31 December 1995 in the amount of $419,200 gross or $392,100 net should be considered in the context of the second performance report for the biennium 1994-1995. The operations of the Commission in 1996 would give rise to expenditure not exceeding $688,600. Such additional appropriation as might be necessary could be considered by the General Assembly in the context of its review and approval of the proposed programme budget for 1996-1997.

92. Mr. KELLER (United States of America) said that, with regard to the Secretary-General's request for an add-on to the budget for the biennium 1996-1997 in the amount of $688,600 under section 3, his delegation endorsed the Advisory Committee's recommendation. He believed that it was correct to consider the additional appropriation in the context of the Fifth Committee's review and approval of the proposed programme budget for the biennium 1996-1997.

93. His delegation also noted that, while the work to be undertaken by the Commission was very worthwhile, certain aspects of the request needed more

careful consideration. In its comments, the Advisory Committee had implied that the request for additional appropriations was indicative rather than a firm budget submission. For example, given the high level of competence of the existing legal staff in the Secretariat, his delegation questioned the need for an additional P-2 Legal Officer. Moreover, the Advisory Committee itself had pointed out that the provisions for hospitality were excessive.

AGENDA ITEM 116: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1996-1997 (continued)

Revised estimates under section 3, Peace-keeping operations and special missions; section 32, Staff assessment; and income section 1, Income from staff assessment

International Civilian Mission to Haiti (A/50/7/Add.5; A/C.5/50/25)

94. Mr. TAKASU (Controller) said that, by its resolution 49/27 B of 12 July 1995, the General Assembly had approved the recommendation of the Secretary-General to renew the mandate of the joint participation of the United Nations with the Organization of American States in the International Civilian Mission to Haiti (MICIVIH). In the same resolution, the General Assembly had also decided to authorize the extension of the mandate of the United Nations component of the Mission until 7 February 1996. Prior to the adoption of that resolution, a statement had been submitted by the Secretary-General on the programme budget implications of the draft resolution (A/C.5/49/69).

95. As indicated in that statement, the estimated requirements for the United Nations for the extension of MICIVIH for the period from 7 July 1995 to 7 February 1996 would amount to $13,754,100, net of staff assessment. Of that amount, $11,483,700 related to the requirements for the period from 7 July to 31 December 1995 and $2,270,400 for the period from 1 January to 7 February 1996. The requirements for the biennium 1994-1995 had been dealt with in the context of that statement.

96. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee's recommendations represented a slight downward revision of the Secretary-General's estimate. Referring to paragraph 7 of the Advisory Committee's report (A/50/7/Add.5), he said that excessive financial provision had been made for United Nations Volunteers; the Advisory Committee preferred to use the July 1995 rate of $4,325 per Volunteer per month as a basis for its recosting. The Advisory Committee also recommended slight reductions in the cost estimates for rental and maintenance of vehicles and communications equipment. Taking all those reductions into account, the Advisory Committee recommended that the General Assembly should appropriate the amount of $2,042,897 under section 3 of the proposed programme budget for 1996-1997. An additional appropriation of $278,200 would be required under section 32, offset by the same amount under income section 1.

97. Mr. KELLER (United States of America) said it was regrettable that the proposed programme budget for the biennium 1996-1997 made no allowance for ad hoc missions, even though the budget for the current biennium had provided

nearly $50 million for such operations. It was evident that provision must be made for such missions, which were of vital importance. His delegation attached particular importance to MICIVIH. However, given the size of the Mission and its budgetary implications, his delegation would prefer to consider the question of it financing in the context of the overall programme budget for the biennium 1996-1997.

98. The CHAIRMAN said that the Secretary-General's proposal, together with the Advisory Committee's recommendations thereon, would be considered in the context of the proposed programme budget for the biennium 1996-1997.

United Nations Mission for the Verification of Human Rights and of Compliance with the Commitments of the Comprehensive Agreement on Human Rights in Guatemala (A/50/7/Add.9; A/C.5/50/26)

99. Mr. TAKASU (Controller) said that, in resolution 48/267, the General Assembly had decided to establish a Mission for the Verification of Human Rights and of Compliance with the Commitments of the Comprehensive Agreement on Human Rights in Guatemala (MINUGUA) for an initial period of six months. In resolution 49/236 A, the General Assembly had decided to authorize the renewal of the mandate of the Mission for a further period of six months. Prior to the adoption of that resolution, the Fifth Committee had informed the General Assembly that an additional appropriation of $10,069,600 would be required for the biennium 1994-1995 for activities during the period from 1 April to 30 September 1995, and that should the General Assembly decide to extend the Mission's mandate further, he should be authorized to enter into commitments in an amount not to exceed $4,711,500 under section 4 of the programme budget for the biennium 1994-1995 for activities during the period 1 October to 31 December 1995.

100. The additional appropriation required under section 3 of the proposed programme budget for the biennium 1996-1997, for the Mission's activities for the period from 1 January to 31 March 1996, had been estimated at $7,299,800. An additional appropriation of $587,000 would also be required under section 32, offset by the same amount under income section 1.

101. The monthly recurring cost of the Mission had been estimated at $2,347,000. The Secretary-General recommended that, should the General Assembly decide to extend the Mission's mandate beyond 31 March 1996, he should be authorized to enter into commitments in an amount not exceeding a monthly level of $2,347,000 for the duration of the mandate.

102. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that, overall, the Advisory Committee's recommendations represented a slight downward revision of the Secretary-General's estimates. Specifically, the Committee had not been convinced that an additional P-5 post for the Mission was justified and believed that, with an overall restructuring and streamlining of the functions being performed by the current number of staff at the P-5 level, the political requirements of the Mission could be met within existing resources.

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103. The Advisory Committee believed that United Nations Volunteers (UNVs) were capable of performing various services at a relatively low cost. It therefore recommended that the Secretariat should explore the possibility of Volunteers performing tasks in the regional offices and any additional functions that had been assigned to Political Affairs Officers.

104. The Advisory Committee believed that savings could be realized in other areas of the estimates. While the Committee did not object to the request for additional funds for consultancy services, it recommended that the Secretariat should explore the possibility of financing those services from the Trust Fund. It also recommended that a more cost-effective arrangement should be developed with regard to contracts for the rental of aircraft, which should be renegotiated on an "as required" basis.

105. The Advisory Committee believed that an additional appropriation of $7,124,800 under section 3 of the proposed programme budget for the biennium 1996-1997 would be required for the period from 1 January to 31 March 1996. An additional appropriation of $554,800 would be required under section 32, offset by the same amount under income section 1.

106. Should the General Assembly decide to extend the Mission's mandate beyond 31 March 1996, the Advisory Committee recommended that the Secretary-General should be authorized to enter into commitments in an amount not exceeding a monthly level of $2,329,700 for the duration of the mandate.

107. Mr. KELLER (United States of America) said it was regrettable that the proposed programme budget for the biennium 1996-1997 contained no appropriations to cover the costs of MINUGUA in 1996, despite the decision by the General Assembly at its forty-ninth session to renew the Mission's mandate. That was a serious error. The value of MINUGUA was evident and it should have been possible to identify some lower priority programmes which could be deleted from the proposed programme budget to offset the costs of MINUGUA.

108. In order to correct that error, MINUGUA should be evaluated within the overall review and approval of the proposed programme budget for the biennium 1996-1997. On that understanding, his delegation was prepared to give immediate support to the Advisory Committee's recommendation for the three-month period from 1 January to 31 March 1996.

109. Ms. RODSMOEN (Norway) said that, together with other members of the Group of Friends of the peace process in Guatemala, Norway had been actively encouraging the peace process and appreciated the role played by the United Nations in the negotiations between the Government of Guatemala and the Unidad Revolucionaria Nacional Guatemalteca (URNG) and the important work carried out by MINUGUA.

110. Her delegation fully supported the Secretary-General's request and, although it would prefer to accept it as it stood, it did not have strong objections to the reductions proposed by the Advisory Committee. Her delegation agreed that the Committee should approve the revised budgetary estimates for MINUGUA forthwith so as to ensure that the Mission could continue to contribute to the achievement of a firm and lasting peace in Guatemala.

111. Mr. IRAGORRI (Colombia), Miss PEÑA (Mexico) and Mr. MUÑOZ (Spain) endorsed the view that the Committee should take a decision at the current meeting in support of the Advisory Committee's recommendations.

112. Mr. TAKASU (Controller) said that, on the question of the procedure followed in the preparation of the proposed programme budget, it was very important to abide strictly by the legislative mandates. The Secretary-General did not include in the budget any resources for which there was no such mandate.

113. In the particular case of MINUGUA, at the time of the submission of the proposed programme budget, the mandate had been extended only until September 1995. It would therefore have been improper for the Secretary-General to include an additional amount for the Mission in the proposed programme budget for the biennium 1996-1997.

114. The CHAIRMAN said that the Secretary-General's proposal, together with the Advisory Committee's recommendations thereon, would be considered in the context of the proposed programme budget for the biennium 1996-1997.

Funding of regional institutes from the regular budget of the United Nations (A/C.5/50/33)

115. Mr. TAKASU (Controller), introducing the report of the Secretary-General on the funding of regional institutes from the regular budget of the United Nations (A/C.5/50/33), said that the report had been prepared in response to a specific request by the Advisory Committee. It was made clear in the report that initially the eight regional institutes/centres which were in receipt of resources from the regular budget of the United Nations had been funded from other sources, with the exception of the Latin American Centre for Economic and Social Documentation (CLADES) and the African Institute for Economic Development and Planning (IDEP). However, those institutes/centres had run into financial difficulties and, on the initiative of intergovernmental organs, the General Assembly had agreed to provide resources from the regular budget, primarily for posts. It was very clear that the General Assembly had not elaborated a general policy on the issue and the Secretary-General had not, on his own initiative, proposed the funding of regional institutes/centres from the regular budget. The Secretary-General felt that, as a rule, activities to be funded from the regular budget should be undertaken by the Secretariat and not be entrusted to institutes and/or centres outside the Secretariat. Such institutes/centres should be created only if there was a viable and adequate source of financing outside the regular budget. However, in order to maintain the operations of institutes/centres which were currently receiving funds from the regular budget, such funding should continue in the biennium 1996-1997.

116. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the report of the Secretary-General (A/C.5/50/33) had been submitted pursuant to the Advisory Committee's request that the Secretary-General should propose criteria to determine whether regional institutes should be funded from the regular budget of the United Nations and the subsequent decision of the General Assembly (decision 49/480) that future requests for funding for regional institutes should be considered only on the basis of criteria proposed by the Secretary-General and approved by the General

Assembly. As indicated in paragraph 2 of the Secretary-General's report, there were currently eight regional institutes/centres which were receiving resources from the regular budget of the United Nations; the functions of those institutes/centres and the circumstances that had led to their receipt of funds from the regular budget were outlined in paragraphs 4 to 24 of the Secretary-General's report.

117. The Advisory Committee welcomed the comprehensive information provided in the report. Although the common theme appeared to be a decline over the years in voluntary funding for the institutes/centres, the Advisory Committee noted that the circumstances in each case were different and that the General Assembly's approach in granting approval for funding had been on a case-by-case basis. Moreover, whereas the first five institutes/centres mentioned in the Secretary-General's report had been established either by regional legislative bodies or by the Economic and Social Council, the three relating to disarmament had been established by resolutions of the General Assembly itself.

118. The Advisory Committee took note of the Secretary-General's comments in paragraph 26 of his report and, in that connection, recalled recommendation 62 of the Group of High-level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations (A/41/49) concerning the practice of transferring extrabudgetary posts to the regular budget. The report of the Secretary-General did not define exactly what constituted "outside" the Secretariat. The Advisory Committee was aware that some of the entities had de facto become part and parcel of the secretariats of the regional commissions and were responsible for carrying out substantive programmes outlined in the medium-term plan of the Organization. It understood that those staff members in the institutes/centres who were funded from the regular budget of the United Nations were United Nations staff, subject to the Staff Regulations and Rules, except that their employment was generally restricted to the particular institute or centre.

119. The Secretary-General recommended that those institutes/centres which were currently receiving funds from the regular budget should continue to do so in the biennium 1996-1997, but made no proposal for alternative funding. Moreover, the report did not directly respond to the Advisory Committee's request for specific criteria to determine whether regional institutes should be funded from the regular budget. It would be for the General Assembly to decide whether the establishment of criteria for general application should be pursued or whether the question of regular budget support for regional institutes/centres should continue to be decided on a case-by-case basis.

120. Mr. KELLER (United States of America) said that the report of the Secretary-General clearly showed the lack of a consistent policy for the funding of regional institutes and centres. The Secretary-General drew the clear conclusion that activities to be funded from the regular budget should be undertaken by the Secretariat and that regional institutes/centres should be created only if financing could be found outside the regular budget. His delegation could not accept the Secretary-General's final conclusion that such funding should continue at least for the biennium 1996-1997, since that view was not supported by any of the evidence presented in the report. His delegation requested the Secretariat to provide a statement of the estimated full costs

involved in funding the institutes/centres from the proposed programme budget for the biennium 1996-1997 and an indication or estimate of the expenditures during the current biennium.

121. The report of the Secretary-General clearly identified a problem which could easily be resolved. His delegation therefore proposed that the Committee should decide that all funding for institutes/centres that were not under the direct control of the United Nations Secretariat should be terminated and deleted from the programme budget for the biennium 1996-1997. Such a decision would regularize the budget presentation and would be consistent with the principle that those bodies should not have recourse to regular budget funding. It would also serve to focus the attention of interested Member States on the utility and value of those institutes and centres. Interested States and private sources would then be able to guide and make use of those bodies without direct, indirect and/or partial control by the United Nations Secretariat through the "power of the purse".

122. Mr. ETUKET (Uganda) said that his delegation still valued the contribution made by the various institutes currently receiving support from the regular budget in pursuit of the objectives of the United Nations, especially in areas identified by the General Assembly as priority areas. It therefore supported the continued provision of support from the regular budget for such institutes and centres. His delegation noted that, during the consideration of regional centres for peace and disarmament in the First Committee, the Secretariat had indicated that most of those centres would have to be closed because of the financial situation. It therefore sought clarification, in the light of the statement made in paragraph 26 of the Secretary-General's report.

123. Mr. NKOUNKOU (Congo) said that the regional institutes played a very important role; his delegation therefore supported their financing from the regular budget for the next biennium.

124. Mr. ELZIMAITY (Egypt) said that, while it appreciated the concerns of certain delegations, his delegation could not support a decision to deprive regional institutes of funding as of January 1996. It felt that the funding should be continued during the next biennium.

125. Mrs. RODRIGUEZ ABASCAL (Cuba) said that her delegation fully supported the views expressed by the two previous speakers.

126. Mr. TAKASU (Controller) said that, when the question of the financing of regional centres for peace and disarmament had come up in the First Committee, the representative of the Secretary-General had made it clear that the support from the regular budget would not be sufficient for those centres, unless there was an increase in voluntary contributions. The First Committee had adopted draft resolution A/C.1/50/L.24, in which, inter alia, it requested the Secretary-General to explore new alternative ways of financial resources and to report to the General Assembly at its fifty-first session.

127. Mr. ETUKET (Uganda) said that, in that draft resolution, the Secretary-General was also requested to continue providing all necessary support to the regional centres in fulfilling their mandates. He was therefore clearly

mandated to continue to provide funds from the regular budget for the time being.

128. The CHAIRMAN said that the Secretary-General's proposal, together with the Advisory Committee's recommendations thereon, would be considered in the context of the proposed programme budget for the biennium 1996-1997.

The meeting rose at 6.55 p.m.